



GRANT AGREEMENT NUMBER: 25-206

FR# 4000059814
Vendor# 7000261398
City of North Myrtle Beach
Proviso 55.7

GRANT AGREEMENT

BETWEEN

SOUTH CAROLINA DEPARTMENT OF ENVIRONMENTAL SERVICES

AND

CITY OF NORTH MYRTLE
BEACH, SC
FY 2024 - 2025

This Agreement by and between the South Carolina Department of Environmental Services (SCDES) and **City of North Myrtle Beach, SC** (Recipient) existing under the laws of South Carolina, is to provide for the distribution of funds **\$1,000,000 (recurring funds) appropriated in 2024 Act 226, Part1B, Section 55 Proviso 55.7.**

The parties agree as follows:

A. STATEMENT OF PURPOSE:

The purpose of the agreement is to provide funding to the Recipient, in support of **City of North Myrtle Beach Ocean Outfall Project**. This agreement furthers SCDES's statutory mission as authorized in South Carolina Code **Section 48-39-10 to 48-39-360** and serves the public purpose of **environmental protection and conservation**.

B. SCOPE OF SERVICES:

The Recipient shall utilize the funds for the activities and services outlined and approved in supporting documents and the attached Exhibit 1 as completed with supporting documents, which will be incorporated into the Agreement upon acceptance under Paragraph D.

C. TERM:

This Agreement shall be effective upon signature, calendar year **2024** and shall terminate on **June 30, 2025**. Recipient's obligations under this Agreement shall survive termination.

D. PAYMENT:

1. Recipient shall submit a written request for payment not to exceed **\$1,000,000** and shall include with the request the information on the attached Exhibit I, including the following as required by Proviso 55.7 and SCDES:

- a. An accounting of how the Funds will be spent (Planned Expenditure Summary)
 - b. Goals to be accomplished, and
 - c. Proposed measures to evaluate success in implementing and meeting goals.
2. Upon acceptance by SCDES, the request for payment will be incorporated into and made part of this Agreement.
 3. Recipient must register with SCEIS as a vendor and provide vendor information on the request for payment.
 4. Payment is contingent on SCDES receipt of Funds.
 5. Upon receipt and review and approval of the Planned Expenditure Summary, Funds Budget, and financial statements, SCDES will transmit the funds to Recipient by check delivered to:

Mr. Randy J. Wright, CPA, CPFO, CGRM
Finance Director
City of North Myrtle Beach
1018 Second Avenue South
North Myrtle Beach, SC 29582
(843) 280-5576
rjwright@nmb.us

6. Source of Funds: State funds made available in the **FY2025** Appropriations Act from 55.7 as a one-time distribution per legislative direction, effective July 1, 2024. SCDES's Point of Contact for financial information regarding payments made under this Agreement:

Chris Wimberly
Chief Financial Officer
Finance & Operations
SCDES
2600 Bull Street
Columbia, South Carolina, 29201

E. REPORTING REQUIREMENTS:

1. By **June 30th, 2025**, Recipient shall submit to SCDES a report containing a detailed accounting of its use of the Funds, the services completed, and the outcome measures used to determine the success of the stated goals in sufficient detail for SCDES to determine Recipient's compliance with the Scope of Services set forth in Paragraph B above. See Exhibit II (Quarterly Expenditure Report) and expected completion date by which it

anticipates all funds will be spent. Recipient shall also submit a final report with this information if the project is not completed or the Funds have not been spent by **June 30, 2025**, Recipient shall include in its report an explanation why the Funds have not been spent or the project is not complete and an expected completion date by which it anticipates all funds will have been spent. Recipient shall also submit a final report with this information within 90 days after project completion or exhaustion of Funds.

2. Recipient shall submit to SCDES by **June 30, 2025**, a detailed statement explaining the nature and function of its organization as well as a detailed statement explaining the use that was made of the funds using the attached template(s).

3. Recipient will allow the State Auditor to audit or cause to be audited to funds.

F. PREVENTING AND REPORTING FRAUD, WASTE AND ABUSE:

a. SCDES has procedures and policies concerning the prevention and reporting of fraud, waste and abuse (FWA) in agency-funded programs, including but not limited to those funded by federal grants. No agency employee, agent, or Recipient shall direct, participate in, approve, or tolerate any violation of federal or State laws regarding FWA in government programs.

b. Federal law prohibits any person or company from knowingly submitting false or fraudulent claims or statements to a federally funded program, including false claims for payment or conspiracy to get such a claim approved or paid. The False Claims Act, 31 U.S.C. §3729-3733, and other “whistleblower” statutes include remedies for employees who are retaliated against in their employment for reporting violations of the Act or for reporting fraud, waste, abuse, or violations of law in connection with federal grant agreements or grants, or danger to public health or safety. Under State law, persons may be criminally prosecuted for false claims made for health care benefits, for Medicaid fraud, for insurance fraud, or for using a computer in a fraud scheme or to obtain money or services by false representations.

c. If Recipient or Recipient’s agents or employees have reason to suspect FWA in SCDES programs, this information should be reported in confidence to SCDES. A report may be made by writing to the Office of Internal Audits, SCDES, 2600 Bull Street, Columbia, SC 29201; or by calling the SCDES Fraud, Waste and Abuse Hotline at 803-898-7533 accessing the OIA Intranet Website, or sending an email to fraud.hotline@des.sc.gov. Recipient is required to inform Recipient’s employees of the existence of SCDES’s policy prohibiting FWA and the procedures for reporting FWA to the agency. Recipient must also inform recipient’s employees, in writing, of their rights and remedies under 41 U.S.C. §4712 concerning reporting FWA or violations of law in connection with federal contracts or grants, or danger to public health or safety, in the predominant native language of the workforce.

G. USE OF FUNDS; AUDITS:

Recipient will not use, expend, or allow use or expenditure of the Funds for any purpose not authorized in and consistent with this Agreement. Unexpended funds distributed pursuant to this Agreement may be carried forward to succeeding fiscal years and expended

for the same purposes. Recipient shall continue the reporting and monitoring required under this Agreement until all Funds are spent.

- H. RETURN OF FUNDS: The State of South Carolina reserves the right to all remedies available to it under law for the enforcement of this Agreement including but not limited to the right to demand repayment of any Funds that remain unused at completion of the project or that were used for purposes not authorized in this Agreement.
- I. NON-DISCRIMINATION:
No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in relation to activities carried out under this Contract on the grounds of race, religion, color, sex, age, national origin, disability, veteran status, pregnancy, gender identity, sexual orientation, or any other basis prohibited by law. This includes the provision of language assistance services to individuals of limited English proficiency eligible for services provided by SCDES.

Recipients that administer or provide SCDES programs, activities, and services are required to adopt policies and procedures that ensure individuals with disabilities are provided with an equal opportunity to participate and equally effective communication when accessing any SCDES-funded programs, activities and services.
- J. COMPLIANCE REPORTS: Recipient must provide quarterly compliance reports within fifteen days after the end of each quarter outlining the status of the project, compliance with the scope of services, and documentation of expenditures to the proper program area of SCDES. Recipient is subject to site visits from SCDES to monitor compliance.
- K. RECORDKEEPING: Recipient shall create and maintain adequate records to document all matters covered by this Agreement. Recipient shall retain all such records for three (3) years or other longer period required by law after termination, cancellation, or expiration of the Agreement or after final expenditure of Funds, whichever is later, and make records available for inspection, copying, and audit by SCDES or other authorized agent of the State. If any litigation, claim, or audit has begun but is not completed or if audit findings have not been resolved at the end of the retention period, the records shall be retained until all litigation, claims, or audit findings involving the Funds have been resolved.
- L. REVISIONS OF LAW: The provisions of the Agreement are subject to revision of state or federal statutes and regulations and requirements governing 2024 Act 226, Part IB, Section 55.
- M. PUBLIC INFORMATION: All information relating to distribution and use of the Funds, including all reports and documentation submitted to SCDES under this Agreement, is subject to public disclosure under the South Carolina Freedom of Information Act and may be published on SCDES's internet web site.
- N. ATTACHMENTS: Attachments to this Agreement are incorporated into and made part of this Agreement.

The parties to the Grant hereby agree to any and all provisions of the Grant as stipulated herein.

SOUTH CAROLINA DEPARTMENT OF ENVIRONMENTAL SERVICES

BY: Chris Wimberly
Chris Wimberly
Chief Financial Officer

DATE: 11/26/24

MAILING ADDRESS:
SCDES – Finance & Operations
2600 Bull Street
Columbia, SC 29201
Phone: 803-898-1230

CITY OF NORTH MYRTLE BEACH

BY: Randy J Wright
Randy J Wright, CPA, CPFØ,
CGRM Finance Director

DATE: 12/18/24

MAILING ADDRESS:
1018 2nd Avenue South
North Myrtle Beach, SC 29582
Phone: (843) 280-5576
Email: rjwright@nmb.us

REMITTANCE ADDRESS: (if applicable)

TAX/EMPLOYER ID # 57-0509844
SCEIS Vendor #: 7000261398

TYPE OF ENTITY (check one):

- Corporation
- LLC
- Partnership
- Nonprofit organization
- Government agency or political subdivision – specify State if not SC:
Municipality
- Other Governmental body (specify) _____
- Individual/sole proprietor
- Other (specify) _____

If a corporation or LLC:
State of incorporation/organization:

Registered agent and address in South Carolina:

SCDLLR or other license #

THIS AGREEMENT IS NOT OFFICIAL AND BINDING UNTIL SIGNED BY THE SCDES CONTRACTS
MANAGER.

Francine Miller

Francine Miller
SCDES Contracts Manager
DATE: 12/19/2024

Exhibit 1: Information Required for State Funding

Name of Organization: City of North Myrtle Beach

Mailing Address of Organization:

Phone: 843-280-5576
Email: rjwright@nmb.us

Remittance Address: (if applicable)

Tax/Employer ID#: 57-0509844

SCEIS Vendor ID#: 7000261398

Type of Entity: Municipality

Registered agent and address in South Carolina:

Randy J. Wright
1018 2nd Ave. South
North Myrtle Beach, SC 29582

Provide an accounting of how the state funds will be spent:

Funds will be used to finish & reimburse \$26,000,000
Ocean Outfall at 18th Ave North, NMB

What goals will be accomplished?

Much improved water quality along ocean front.

Proposed measures to evaluate success in implementing and meeting the goals:

Reduced number of warnings along ocean front
after rainfalls.

How will the proposed funds benefit the taxpayers of South Carolina?

Environmentally safer beaches in North Myrtle Beach.

Provide a copy of the adopted budget for the current fiscal year.

See Attached

Provide a copy of the organization's most recent operating financial statement.

See Attached

**STORM WATER DRAINAGE FUND
FUND 03
DEPARTMENT OF PUBLIC WORKS**

The Storm Water Drainage Fund was created during FY 2002 by adoption of the Storm Water Management Ordinance. This Capital Improvements Fund is used to record all revenues and expenditures related to the City's storm water drainage capital improvement plan including ocean outfalls. The monthly fee was adjusted at the beginning of FY 2017 to \$8/ERU and \$5.50/multi-family unit and will remain the same for this fiscal year.

The following table illustrates the budget data for the Storm Water Drainage Fund for revenues and expenditures:

**FISCAL YEAR ENDING JUNE 30, 2025
DETAIL OF REVENUES**

SOURCE	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 BUDGETED	FY 2024 ESTIMATED	FY 2025 BUDGETED
Storm Water Drainage Fees	\$ 3,027,955	\$ 3,084,410	\$ 3,050,000	\$ 3,145,150	\$ 3,200,000
Storm Water Penalties	11,718	12,166	12,000	12,000	12,000
Interest/Misc.	14,144	125,369	-	100,000	150,000
Grants - State	1,500,000	11,000,000	6,575,000	1,000,000	1,000,000
Transfer In - Accommodations Tax	76,176	119,250	133,200	119,250	96,600
Transfer In - Local Accommodations Fee	-	-	1,500,000	1,500,000	-
Transfer In - Hospitality Fee	-	-	-	-	-
TOTAL REVENUES	\$ 4,629,993	\$ 14,341,195	\$ 11,270,200	\$ 5,876,400	\$ 4,458,600

SUMMARY OF EXPENDITURES

DESCRIPTION GL# 03-5-930-xxx	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 BUDGETED	FY 2024 ESTIMATED	FY 2025 BUDGETED
Lobbying (130)	\$ 50,000	\$ 50,000	\$ 60,000	\$ 60,000	\$ 60,000
Beach Water Monitoring (132)	132,542	153,250	173,250	200,000	225,000
Central Park Drainage (302)	-	-	-	-	225,000
Miscellaneous Drainage Proj. (307)	-	71,800	750,000	250,000	1,000,000
18th Ave. N. Ocean Outfall (934)	25,355	16,862,947	12,000,000	10,500,000	2,000,000
Beach Drain Rehabilitation (935)	-	-	-	-	1,800,000
17th Ave. S. & 27th Ave. S. (936)	-	-	-	-	1,000,000
Drainage In-house (998)	71,748	99,014	250,000	352,339	350,000
Overhead Allocation	309,812	369,046	374,529	374,529	407,190
Principal and Interest (03-5-930-4xx)	-	-	-	-	-
TOTAL EXPENDITURES	\$ 589,457	\$ 17,606,057	\$ 13,607,779	\$ 11,736,868	\$ 7,067,190
EXCESS (DEFICIT)	\$ 4,040,536	\$ (3,264,862)	\$ (2,337,579)	\$ (5,860,468)	\$ (2,608,590)
Beginning Fund Balance	\$ 10,199,610	\$ 14,240,146	\$ 10,066,634	\$ 10,975,284	\$ 5,114,816
Ending Fund Balance	\$ 14,240,146	\$ 10,975,284	\$ 7,729,055	\$ 5,114,816	\$ 2,506,226



North Myrtle Beach, SC

Balance Sheet

Account Summary

As Of 12/18/2024

Account	Name	Balance
Fund: 03 - STORM WATER DRAINAGE FUND		
Assets		
GLCategory: 10 - CASH AND EQUIVALENTS		
<u>03-101-200</u>	EQUITY IN CASH - DRAINAGE	6,467,860.66
<u>03-101-310</u>	COASTAL CAROLINA CD	0.00
	Total GLCategory 10 - CASH AND EQUIVALENTS:	6,467,860.66
GLCategory: 12 - RECEIVABLES		
<u>03-120-200</u>	A/R STORM WATER BILLED	19,789.09
<u>03-120-205</u>	A/R STORM WATER NON-CURR BILLS	0.00
<u>03-120-215</u>	ALLOWANCE FOR UNCOLLECTIBLES	-500.00
<u>03-120-550</u>	A/R OTHER	0.00
	Total GLCategory 12 - RECEIVABLES:	19,289.09
GLCategory: 14 - DUE FROM OTHER FUNDS		
<u>03-140-001</u>	DUE FROM GENERAL FUND	0.00
<u>03-140-009</u>	DUE FROM STREET IMPROV FUND	0.00
<u>03-140-011</u>	DUE FROM CG DREDGE FUND	0.00
<u>03-140-016</u>	DUE FROM BEACH SERVICES FUND	0.00
<u>03-140-017</u>	DUE FROM AQUATIC CENTER FUND	0.00
<u>03-140-018</u>	DUE FROM NMB ENTERPRISE FUND	0.00
<u>03-140-019</u>	DUE FROM INSURANCE RESERVE FUN	0.00
<u>03-140-033</u>	DUE FROM DEBT SERVICE FUND	0.00
	Total GLCategory 14 - DUE FROM OTHER FUNDS:	0.00
	Total Assets:	6,487,149.75
		<u>6,487,149.75</u>
Liability		
GLCategory: 21 - CURRENT LIABILITIES		
<u>03-210-010</u>	A/P PENDING DUE TO POOLED CASH	1,377.01
<u>03-210-050</u>	RETAINAGES PAYABLE	0.00
<u>03-210-501</u>	DUE TO GENERAL FUND	0.00
<u>03-210-800</u>	CNB NOTE PAYABLE	0.00
	Total GLCategory 21 - CURRENT LIABILITIES:	1,377.01
	Total Liability:	1,377.01
Equity		
GLCategory: 27 - FUND BALANCE/EQUITY		
<u>03-270-500</u>	COMMITTED BY ORDINANCE	8,142,256.57
	Total GLCategory 27 - FUND BALANCE/EQUITY:	8,142,256.57
	Total Beginning Equity:	8,142,256.57
Total Revenue		1,361,313.68
Total Expense		3,017,797.51
Revenues Over/Under Expenses		-1,656,483.83
	Total Equity and Current Surplus (Deficit):	6,485,772.74
	Total Liabilities, Equity and Current Surplus (Deficit):	<u>6,487,149.75</u>



North Myrtle Beach, SC

Income Statement

Account Summary

For Fiscal: 2024-2025 Period Ending: 12/31/2024

	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 03 - STORM WATER DRAINAGE FUND					
RevenueCategory: 34 - USE OF MONEY & PROPERTY					
03-340-100 INTEREST ON INVESTMENTS	0.00	0.00	0.00	16,954.75	-16,954.75
RevenueCategory: 34 - USE OF MONEY & PROPERTY Total:	0.00	0.00	0.00	16,954.75	-16,954.75
RevenueCategory: 37 - SALES & SERVICE CHARGES					
03-370-600 STORM WATER DRAINAGE FEES	0.00	0.00	55.00	1,335,752.08	-1,335,752.08
03-370-601 SWD BILL ADJ/BAD DEBT	0.00	0.00	0.00	54.06	-54.06
03-370-800 SWD LATE PAYMENT PENALTIES	0.00	0.00	1,668.00	8,552.79	-8,552.79
RevenueCategory: 37 - SALES & SERVICE CHARGES Total:	0.00	0.00	1,723.00	1,344,358.93	-1,344,358.93
Division: 930 - 930					
03-5-930-130 LOBBYING CONTRACTUAL SERVICES	0.00	0.00	0.00	15,000.00	-15,000.00
03-5-930-132 PROFESSIONAL SERVICES	0.00	0.00	3,809.43	1,938,583.43	-1,938,583.43
03-5-930-307 DRAINAGE CONSTRUCTION	0.00	0.00	0.00	11,755.77	-11,755.77
03-5-930-934 18TH AVE N DRAINAGE/OUTFALL	0.00	0.00	175,984.00	1,037,289.50	-1,037,289.50
03-5-930-998 DRAINAGE IN-HOUSE	0.00	0.00	0.00	15,168.81	-15,168.81
Division: 930 - 930 Total:	0.00	0.00	179,793.43	3,017,797.51	-3,017,797.51
Fund: 03 - STORM WATER DRAINAGE FUND Surplus (Deficit):	0.00	0.00	-178,070.43	-1,656,483.83	
Total Surplus (Deficit):	0.00	0.00	-178,070.43	-1,656,483.83	

Organization Certifications

- 1) Organization hereby gives assurance that no person shall, upon the grounds of race, creed, color, or national origin, be excluded from participation in, be denied the benefit of, or be otherwise subjected to discrimination under any program or activity for which this organization is responsible.
- 2) Organization certifies that it will provide quarterly spending reports to the Agency Providing Contribution listed above.
- 3) Organization certifies that it will provide an accounting at the end of the fiscal year to the Agency Providing Contribution listed above.
- 4) Organization certifies that it will allow the State Auditor to audit or cause to be audited the contributed funds.

Randy J. Wright
Organization Signature

Finance Director
Title

Randy J. Wright
Printed Name

12/30/24
Date

Certifications of State Agency Providing Contribution

- 1) State Agency certifies that the planned expenditure aligns with the Agency's mission and/or the purpose specified in the appropriations act.
- 2) State Agency certifies that the Organization has set forth a public purpose to be served through receipt of the expenditure.
- 3) State Agency certifies that it will make distributions directly to the organization.
- 4) State Agency certifies that it will provide the quarterly spending reports and accounting received from the organization to the Senate Finance Committee, House Ways and Means Committee, and the Executive Budget Office by June 30, 2025.
- 5) State Agency certifies that it will publish on their website any and all reports, accountings, forms, updates, communications, or other materials required by Proviso 117.21 of the appropriations act.
- 6) State Agency will certify to the Office of the Governor that it has complied with the requirements of Executive Order 2022-19 by June 30, 2025.

Myra C. Reece
Agency Head Signature

12/31/2024
Date

Myra C. Reece
Printed Name

SECTION 55 - P500 - DEPARTMENT OF ENVIRONMENTAL SERVICES

- 55.1. (DES: Infectious Waste Contingency Fund) The Department of Environmental Services is authorized to use not more than \$75,000 from the Infectious Waste Contingency Fund per year for personnel and operating expenses to implement the Infectious Waste Act.
- 55.2. (DES: Spoil Easement Areas Revenue) The department is authorized to collect, retain and expend funds received from the sale of and/or third party use of spoil easement areas, for the purpose of meeting the State of South Carolina's responsibility for providing adequate spoil easement areas for the Atlantic Intracoastal Waterway in South Carolina.
- 55.3. (DES: Permitted Site Fund) The Department of Environmental Services may expend funds as necessary from the permitted site fund established pursuant to Section 44-56-160(B)(1), for legal services related to environmental response, regulatory, and enforcement matters, including administrative proceedings and actions in state and all federal courts.
- 55.4. (DES: Shift Increased Funds) The director is authorized to shift increased appropriated funds in this act to offset shortfalls in other critical program areas.
- 55.5. (DES: Meals in Emergency Operations) The cost of meals may be provided to state employees who are required to work during actual emergencies and emergency simulation exercises when they are not permitted to leave their stations.
- 55.6. (DES: Compensatory Payment) In the event the President of the United States has declared a state of emergency or the Governor has declared a state of emergency in a county in the State, Fair Labor Standards Act exempt employees of the department may be paid for actual hours worked in lieu of accruing compensatory time, at the discretion of the agency Director, and providing funds are available.
- 55.7. (DES: Storm Water and Ocean Outfalls) In the current fiscal year, funds appropriated to the department for Ocean Outfalls shall be distributed equally to the City of Myrtle Beach and the City of North Myrtle Beach for the purpose of storm water drainage and ocean outfall construction and repair as state matching funds for Horry County Ocean Water Quality Outfall Initiatives. The department shall be authorized to retain and carry forward these funds into the current fiscal year to be used for the same purpose. Any interest generated by the account must be retained and deposited into this account, to be used as state matching funds for either local or federal funding, and utilized for Ocean Water Quality Outfall Initiatives in Horry County.



Chris Wimberly
Finance & Operations
2600 Bull St.
Columbia, SC 29201

1/7/2025

To whom it may concern,

SCDES has multiple proviso distributions that are due to various entities. Proviso 55.7 directs SCDES to release these funds to the City of Myrtle Beach and the City of North Myrtle Beach in the equal distributions. These funds are required to support work on Ocean Outfalls.

We respectfully ask that you process these as z-special so that we can release payment as required to this vendor immediately after the processed distribution invoices are audited and approved by State CGO.

If you need additional detail or have questions or concerns regarding these invoices, please do not hesitate to reach out to Vasa Cate at Vasa.Cate@des.sc.gov.

Thank you,

Chris Wimberly
Chief Financial Officer