SPECIAL MEETING/WORKSHOP OF CITY COUNCIL
SEPTEMBER 24, 2015 – 4:00 PM
COUNCIL CHAMBERS
GEORGETOWN, SC

Notice of this meeting has been made in accordance with the 1976 Code of Laws of South Carolina Freedom of Information Act.

1. CALL TO ORDER

2. ANNOUNCEMENT CONCERNING ELECTRONIC DEVICES

3. UPDATE ON MARYVILLE FIRE STATION - MICHAEL WALKER, TYCH & WALKER ARCHITECTS

4. UPDATE ON CHERRY STREET PROJECT AND BEN COOPER PARK - STANTEC CONSULTING SERVICES

5. REVIEW PUBLIC DEFENDER OBLIGATION - CHRIS CARTER

6. DISCUSS COMMERCIAL MAINTENANCE CODE - CHRIS CARTER & RICK MARTIN

7. DISCUSS PROPOSED LEASE AGREEMENT FOR PROPERTY ON FRONT STREET FOR A PUBLIC PARK

8. FINANCE

A. Motion to Approve first reading of an Ordinance Amending the 2015 Series Ordinance dated August 20, 2015 to revise the Purpose in order to allow a portion of the 2011 Bond to be refunded with the proceeds of the 2015B Bonds.

Attachments:

1 Series Ordinance (Amended)II (PDF)

9. ADJOURNMENT

A. Motion to adjourn Special Meeting/Workshop.

120 North Fraser Street · Georgetown, SC 29440 · (843) 545-4000

ORDINANCE

DOC ID: 1927

Council Meeting Date:	24 September 2015
Department:	Finance
Issue Under Consideration:	Motion to Approve an Ordinance Amending the 2015 Series Ordinance dated August 20, 2015 to revise the Purpose in order to allow a portion of the 2011 Bond to be refunded with the proceeds of the 2015B Bonds.
Amount Requested:	NA
Is Item in Current Budget?	NA
If no, please explain:	
Financial Impact:	NA
Points to Consider:	The Ordinance is being revised to optimize the City's refunding and refinancing savings by avoiding interest rate penalties of not being bank-qualified by exceeding the $10mm borrowing limit.
Options:	Approve or Disapprove.
Staff Recommendations:	Approve

Reviews:

Debra Bivens Completed 09/09/2015 12:55 PM

Chris Carter Completed 09/16/2015 5:33 PM

Ann U. Mercer Completed 09/16/2015 5:44 PM

Georgetown City Council Pending 09/24/2015 4:00 PM

Attachments:

1. 1 Series Ordinance (Amended)II (PDF)

MOTION TO APPROVE AN ORDINANCE AMENDING THE 2015 SERIES ORDINANCE DATED AUGUST 20, 2015 TO REVISE THE PURPOSE IN ORDER TO ALLOW A PORTION OF THE 2011 BOND TO BE REFUNDED WITH THE PROCEEDS OF THE 2015B BONDS.

AN ORDINANCE

AMENDING AND MODIFYING CERTAIN PROVISIONS OF THE 2015 SERIES ORDINANCE DATED AUGUST 20, 2015; AND OTHER MATTERS RELATED THERETO.

WHEREAS, prior hereto, the City Council of the City of Georgetown, the governing body of the City of Georgetown, South Carolina (the "***City***"), enacted an ordinance entitled, "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF COMBINED PUBLIC UTILITY SYSTEM IMPROVEMENT AND REFUNDING REVENUE BONDS, TO BE DESIGNATED SERIES 2015, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING FIFTEEN MILLION DOLLARS ($15,000,000), OF THE CITY OF GEORGETOWN, SOUTH CAROLINA; AND OTHER MATTERS RELATING THERETO" dated August 20, 2015 (the "***2015 Series Ordinance***"), the provisions of which authorized the issuance of Combined Public Utility System Improvement and Refunding Revenue Bonds, Series 2015 (the "***Series 2015 Bonds***") in one or more Series. Terms used herein and not otherwise defined shall have the meanings ascribed thereto in the 2015 Series Ordinance;

WHEREAS, the 2015 Series Ordinance stated that, "[i]t is anticipated that the Series 2015 Bonds shall be issued in no less than two separate Series of Bonds, the '***Series 2015A Bonds***' and the '***Series 2015B Bonds***';"

WHEREAS, upon a review of the purposes for which the Series 2015A Bonds and the Series 2015B Bonds were authorized, it has been determined that a portion of the Series 2015B Bonds are anticipated to be used to effect the due redemption of the Series 2011 Bond (as defined in the 2015 Series Ordinance);

WHEREAS, it is necessary to amend and modify certain provisions of the 2015 Series Ordinance.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GEORGETOWN, THE GOVERNING BODY OF THE CITY OF GEORGETOWN, SOUTH CAROLINA, IN A MEETING DULY ASSEMBLED:

SECTION 1

Pursuant to the findings above, the 2015 Series Ordinance shall be amended as follows:

(A) Section 4.01 of the 2015 Series Ordinance, entitled "Principal Amount; Designation of Series 2015 Bonds" shall be amended and restated as follows:

> Section 4.01 Principal Amount; Designation of Series 2015 Bonds.
>
> Pursuant to the provisions of the Master Bond Ordinance, one or more Series of Bonds of the City entitled to the benefits, protection, and security of the provisions of the Master Bond Ordinance is hereby authorized in the principal

amount of not exceeding Fifteen Million Dollars ($15,000,000); such Bonds so authorized shall be designated the "City of Georgetown Combined Public Utility System Improvement and Refunding Revenue Bonds, Series 2015" (the "***Series 2015 Bonds***"). It is anticipated that the Series 2015 Bonds shall be issued in no less than two separate Series of Bonds, the "***Series 2015A Bonds***" and the "***Series 2015B Bonds***." As determined by the Authorized Officer, the Series 2015 Bonds may be sold in such additional Series, bearing any such designation as appropriate. References herein to the Series 2015 Bonds shall include all Series of Bonds.

To the extent not otherwise provided in this 2015 Series Ordinance, the Authorized Officer shall be further authorized to redesignate the Series 2015 Bonds with different alphanumeric designations so as to properly distinguish any Bonds to be issued. The authorization to redesignate the Series 2015 Bonds shall include, but is not limited to (i) collapsing the Series 2015A Bonds and the Series 2015B Bonds into a single Series of Bonds, or (ii) switching the Series 2015 Bond which are designated as the Series 2015A Bonds with the Series 2015B Bonds and vice versa, and in such event, all references to the Series 2015A Bonds (including all funds, conditions, certifications and provisions associated therewith) shall mean the Series 2015B Bonds and all references to the Series 2015B Bonds (including all funds, conditions, certifications and provisions associated therewith) shall mean the Series 2015A Bonds .

(B) Section 4.02 of the 2015 Series Ordinance, entitled "Purposes of the Series 2015 Bonds" shall be amended and restated as follows:

"<u>Section 4.02 Purposes of the Series 2015 Bonds.</u>

(a) The Series 2015A Bonds are authorized for the principal purposes of:

(1) redeeming all or a portion of the Series 2011 Bond;

(2) funding the 2015A Debt Service Reserve Fund, if any, in an amount equal to the 2015A Reserve Requirement, or for paying the premium associated with the issuance of a credit instrument, which, in lieu of cash, shall satisfy the 2015A Reserve Requirement for the 2015A Debt Service Reserve Fund; and

(3) paying certain costs and expenses relating to the issuance of the Series 2015A Bonds, including the payment of any premium due on any Municipal Bond Insurance Policy.

(b) The Series 2015B Bonds are authorized for the principal purposes of:

(1) redeeming all or a portion of the Series 2011 Bond;

(2) defraying the costs of the Project and reimbursing the City for costs of the Project that were previously incurred;

(3) funding the 2015B Debt Service Reserve Fund, if any, in an amount equal to the 2015B Reserve Requirement, or for paying the premium associated with the issuance of a credit instrument, which, in lieu of cash, shall satisfy the 2015B Reserve Requirement for the 2015B Debt Service Reserve Fund; and

(4) paying certain costs and expenses relating to the issuance of the Series 2015B Bonds, including the payment of any premium due on any Municipal Bond Insurance Policy."

(C) Section 6.01 of the 2015 Series Ordinance, entitled "Use and Disposition of Bond Proceeds" shall be amended and restated as follows:

<u>Section 6.01 Use and Disposition of Bond Proceeds.</u>

(a) Upon the delivery of the Series 2015A Bonds and receipt of the proceeds thereof, net of underwriter's discount or premium, such funds shall be disposed of as follows:

(1) the sum necessary to redeem all or a portion of the Series 2011 Bond and any accrued interest thereon, if necessary, shall be transferred to the named payee thereof;

(2) if the 2015A Debt Service Reserve Fund is established: (A) the sum equal to the 2015A Reserve Requirement shall be deposited into the 2015A Debt Service Reserve Fund held by the Trustee; or in the alternative, (B) an amount equal to the premium or fees due on any credit instrument, which in lieu of cash shall be issued in an amount equal to the 2015A Reserve Requirement for the 2015A Debt Service Reserve Fund shall be transferred to the provider thereof; and

(3) the sum necessary to pay costs of issuance (including the costs of any Municipal Bond Insurance Policy) shall be deposited with the Trustee in the 2015A Cost of Issuance Fund (the "***2015A COI Fund***") and used to pay the costs of issuance on the Series 2015A Bonds.

(b) Upon the delivery of the Series 2015B Bonds and receipt of the proceeds thereof, net of underwriter's discount or premium, such funds shall be disposed of as follows:

(1) if the 2015B Debt Service Reserve Fund is established: (A) the sum equal to the 2015B Reserve Requirement shall be deposited into

the 2015B Debt Service Reserve Fund held by the Trustee; or in the alternative, (B) an amount equal to the premium or fees due on any credit instrument, which in lieu of cash shall be issued in an amount equal to the 2015B Reserve Requirement for the 2015B Debt Service Reserve Fund shall be transferred to the provider thereof;

(2) the sum necessary to pay costs of issuance (including the costs of any Municipal Bond Insurance Policy) shall be deposited with the Trustee in the 2015B Cost of Issuance Fund (the "***2015B COI Fund***") and used to pay the costs of issuance on the Series 2015B Bonds;

(3) the sum necessary to redeem all or a portion of the Series 2011 Bond and any accrued interest thereon, if necessary, shall be transferred to the named payee thereof; and

(4) the remaining sums shall be deposited in the 2015 Construction Fund and shall be used for the purpose of defraying the cost of the Project, including the reimbursement to the City for costs of the Project previously incurred by the City."

(D) Section 6.02 of the 2015 Series Ordinance, entitled "Establishment of 2015 Construction Fund and Investment of Moneys Deposited Therein" shall be amended such that the reference to "Section 6.01(b)(3)" in the first paragraph thereof shall be amended and changed to "Section 6.01(b)(4)" in order to correspond with certain other amendments herein:

(E) Section 8.03 of the 2015 Series Ordinance, entitled "Designation of Series 2015 Bonds as Bank Qualified" shall be amended and restated as follows:

"<u>Section 8.03</u> <u>Designation of Series 2015 Bonds as Bank-Qualified</u>.

(a) The City has determined and certifies that: (1) the Series 2015A Bonds shall be issued to currently refund all or a portion of Series 2011 Bond, which was previously designated as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code, and, except for monies necessary to fund certain costs of issuance for the Series 2015A Bonds, the amount of such refunding shall not exceed the outstanding principal amount of the Series 2011 Bond; (2) the average maturity date of the Series 2015A Bonds shall not be later than the average maturity date of the Series 2011 Bond; and (3) the Series 2015A Bonds shall have a maturity date which is not later than July 29, 2041. Furthermore, the Series 2015A Bonds shall be issued no less than 15 days apart from the Series 2015B Bonds and thus shall not be treated as part of a single issue for purposes of Section 265(b)(3)(D)(iii) of the Code. Assuming compliance with the provisions above, the City certifies that a substantial portion of the Series 2015A Bonds are deemed designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3)(B) of the Code.

(b) In addition to provisions of the Section 8.03(a) above, the City reasonably expects that the principal amount of the Series 2015B Bonds, together with amounts necessary to redeem any portion of the Series 2011 Bond (which otherwise do not qualify as “qualified tax-exempt obligations under Section 8.03(a) above), to pay costs of issuance on the Series 2015A Bonds and to pay the original principal amounts of all other tax-exempt obligations of the City and any entity subordinate thereto (other than obligations which are private activity bonds not qualified under Section 145 of the Code) issued in calendar year 2015, will, in the aggregate, not exceed $10,000,000. The City hereby designates the Series 2015B Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code.”

SECTION 2

The amendments, modifications and supplements provided in Section 1 above shall be effective upon the due enactment of this Ordinance. Any references in the 2015 Series Ordinance to the sections or provisions amended herein shall expressly include the amendments provided for herein.

SECTION 3

All ordinances and other provisions in conflict with this ordinance are hereby repealed in their entirety. To the extent the changes, modifications or restatements herein create or result in any inconsistencies in the structure or application of the 2015 Series Ordinance, the provisions hereof shall be controlling.

DONE, RATIFIED AND ENACTED this 22nd day of October, 2015.

CITY OF GEORGETOWN, SOUTH CAROLINA

(SEAL)

By: ____
Mayor

Attest:

____
City Clerk

First Reading: September 24, 2015
Second Reading: October 22, 2015