

Administration Department



TO: Mayor and City Council

FROM: B. Todd Glover, City Administrator

DATE: February 14, 2014

SUBJECT: Agenda for Regular Meeting of February 17, 2014

REGULAR COUNCIL MEETING

ITEM 5. FINANCE: Amending and Restating Ordinance No. 92-18 To Provide for the Issuance and Sale of Waterworks and Sewer System Revenue Bonds of the City of North Augusta, South Carolina, and Other Matters Related Thereto – Ordinance, Second Reading

On December 7, 1992 the City of North Augusta enacted its Bond Ordinance of 1992, entitled "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO." The Bond Ordinance is the governing document under which the City issues debt to pay for capital improvements for its water and sewer system. Importantly, this document dictates the covenants and security for all "parity" bonds issued by the City for its water and sewer system (parity meaning that additional bonds or loans can be issued at a level of priority equal to any outstanding Bonds; thus, all "parity" Bonds issued under the terms of the Bond Ordinance receive equal treatment and security against the revenues pledged to secure the Bonds).

At this time, the City has one Series of Bonds outstanding under the 1992 Bond Ordinance. That obligation is a Bond held by Bank of America and officials at Bank of America have informed Pope Zeigler that they consent to the terms of the Amended and Restated Bond Ordinance and will execute a written certificate confirming their consent.

Generally speaking, the 2014 Bond Ordinance (amending and restating the 1992 Bond Ordinance) does not change any of the underlying security provisions for the City's bonds (still have a Gross Revenue pledge, meaning that debt service is paid before operational costs). Instead, the changes that are being implemented are dictated by changes in market conditions (much has changed in the public debt markets in the last 22

years). Against that background, the most conspicuous changes between the 1992 Bond Ordinance and the proposed 2014 Bond Ordinance are as follows: (1) providing for funding of a debt service reserve fund (DSRF) to be permissive on a Series by Series basis (as opposed to mandatory); (2) authorizing the deposit of any DSRF moneys (if funded) with the State Treasurer's office (only applicable to SRF loans); (3) clarifying the additional bonds test by removing the forecasting requirements; (4) increasing the date to furnish the audit from 150 days to 180 days; (5) amending the redemption notice provisions to explicitly provide for a contingent call (bonds may be called for redemption even though proceeds have not yet been procured); (6) clarifying a number of definitions and adding definitions; (7) specifically authorizing lease purchase obligations; (8) discussing how components of the System may be added, sold, exchanged or removed; (9) adding some additional protections and covenants for the Trustee; (10) reducing the consent required for certain modifications to the Bond Ordinance from 66.66% to 51%; and (11) general clean up and bring down of the old document.

Please refer to your minutes of February 3, 2014, for the ordinance text.

ITEM 6. FINANCE: **Approving the Financing of Waterworks System Improvements to be made Part of the Waterworks and Sewer System of the City of North Augusta, South Carolina, Through the Borrowing of not exceeding Thirteen Million Dollars (\$13,000,000), Plus Capitalized Interest, If Any, from the Drinking Water Revolving Loan Fund, By Agreement With the South Carolina Water Quality Revolving Fund Authority, Pursuant to Title 48, Chapter 5, Code of Laws of South Carolina, As Amended, Providing for the Agreement to Make and to Accept a Loan, The Execution and Delivery of a Loan Agreement between the City of North Augusta, South Carolina and the South Carolina Water Quality Revolving Fund Authority, The Execution and Delivery of a Promissory Note from the City of North Augusta, South Carolina to the South Carolina Water Quality Revolving Fund Authority; And Other Matters Relating Thereto – Ordinance, Second Reading**

The 2014 Series Ordinance is the ordinance specifically authorizing the issuance and sale of the not exceeding \$13,000,000 Water and Sewer System Revenue Bond, Series 2014A. By its terms, the 2014 Series Ordinance identifies the State Revolving Fund (SRF) as the purchaser of the Bonds and further details specific provisions for the Series 2014A Bond as required by the Bond Ordinance (term, interest rate, establishment of funds, creation of Trustee and Custodian, useful life of assets financed, etc...). Moreover, the 2014A Series Resolution approves and authorizes the implementation and execution of the Loan Agreement between the City and the SRF, as well as the Promissory Note from the City to the

SRF. Joe Lucas and Lawrence Flynn will be present at the City Council meeting to answer any questions.

Please refer to your minutes of February 3, 2014, for the ordinance text.

ITEM 7. ECONOMIC DEVELOPOMENT: Selection of the Architectural Firm to Perform Services for the City in the Development of a Minor League Baseball Stadium – Resolution

A resolution has been prepared for Council’s consideration authorizing the selection of the architectural firm to perform services for the City in the development of a minor league baseball stadium.

Please see [ATTACHMENT #7](#) for a copy of the proposed resolution.

ITEM 8. PARKS, RECREATION, AND LEISURE SERVICES: Jack-O-Lantern Jubilee Festival – Winner of 3 Awards

Rick Meyer, Director of Parks, Recreation, and Leisure Services would like to recognize the Jack-O-Lantern Jubilee festival for being the winner of three awards at the annual South Carolina Festival Event Association’s conference held January 23, 2014 in Myrtle Beach, South Carolina. Jodi Cronk, Entertainment Chairman for the Jack-O-Lantern Jubilee and Springfest won Volunteer of the Year Award. We also were selected for best festival website and best festival poster. Kudos to Ricky Jones for the Jack-O-Lantern Jubilee website and Lauren Virgo for the design of the Springfest festival poster.

ITEM 9. PERSONNEL: Employee of the Quarter, October, November, and December 2013 – Ricky Jones

The City of North Augusta Employee Recognition Committee would like to recognize the Employee of the Quarter for October, November, and December 2013, Ricky Jones, Network Operations Coordinator for the Information Technology Department.

Ricky began his employment with the City of North Augusta on March 7, 2007. Ricky is the proud father of his daughter, Shelby, a sophomore at Silver Bluff High School.

Ricky is very instrumental in the day to day operations of the Information Technology Department. His knowledge and understanding of all City departments’ Information Technology operations is key to ensuring that users have consistent access to the information that they need to carry out their duties. Typically when a user calls for his assistance they are stressed because something technology related may not be working that they need to complete their duties. Ricky’s quick wit and quick resolution

take what is normally a very stressful situation for the end user in need and turns it into a resolved problem and in most cases the end user is left in stitches from his humor.

He is a talented individual that does not necessarily like the spot light, but his behind the scene efforts should be recognized. He was recently given a task to guide the implementation and production of the City's workflow procurement system. This system is one of the most important systems for the City's finance department to ensure that contracts and invoices are paid on time without penalty. Thanks to Ricky the new workflow system is now in production and with minimum down time and offered an ease of use to the end-users.

Another hidden talent is his knowledge of website design. He designed and built the current City website without any additional cost to the City to allow departments to update their content for their page. Furthermore, he developed the Fall Festival website for the Jack-O-Lantern Jubilee. This annual event is one of the largest events for the City to host nearly 200 craft vendors and 8000 visitors. Ricky was asked to design and develop an informative website for this event to pass along information to the visitors for schedule, events, and contests.

Ricky was just awarded best website design for his efforts and deployment of the City's Jack-o-lantern Jubilee website from the South Carolina Festival & Event Association. His efforts and skill give every City employee and citizen of North Augusta yet another reason to be proud to live in our great City.

Congratulations to Ricky Jones, our employee of the fourth quarter of 2013. Ricky will receive a plaque, a \$25 gift certificate to SMS Sportsworld, and a \$25 Wal-Mart gift card.