

Proposed FY2019 Bond Order

August 23, 2018 Special Council Meeting

Title: Bond Issue - \$1,576,000 for reconstruction, renovation, repair and improvement of streets, sidewalks and related facilities throughout the City

BE IT ORDERED, That (1) borrowing of a sum not to exceed \$1,576,000 be and hereby is authorized for the purpose of paying costs of capital expenditures for the reconstruction, renovation, repair and improvement of City of Augusta (the "City") streets, sidewalks and related facilities throughout the City. The estimated period of utility of the permanent improvements constituting the improved City streets, sidewalks and related facilities is hereby declared to be in excess of twenty two (22) years.

(2) To fund and refund any such borrowing, the City Manager of the City or his designee, including without limitation the Assistant City Manager for Finance and Administration (any of whom is referred to herein as an Authorized Representative), is hereby authorized and directed under and pursuant to Section 7 of Article VII of the City Charter and other enabling authority to prepare, sell, with or without public bidding, and issue, at one time or from time to time, as one or more separate issues, general obligation bonds of the City that in aggregate amount produced by such sale, less (a) the City's costs of issuance, including underwriter's compensation, (b) a reasonable amount for interest on the bonds, (c) a reasonable amount for any use of bond proceeds allowable under the City Charter and U.S. Treasury Regulation §1.148-1 and following and (d) a reasonable rounding amount, if any, will not exceed the aggregate amount authorized to be borrowed. The date or dates, denominations, interest rate or rates, method of sale and all other particulars as to form, sale and issue of each issue of the bonds shall be determined by an Authorized Representative, provided that each of the bonds shall be signed by an Authorized Representative and by the Mayor, whose signature may be by facsimile, shall bear the City seal or an authorized facsimile thereof, and shall mature or be payable in annual installments, the first installment to be payable on or before December 31 of the year after the year in which the bonds are issued, and the last installment with respect to an amount authorized to be payable not later than twenty (20) years after the date of issue of such bonds. The bond issues authorized hereby may be consolidated for purposes of sale and issuance with any other authorized bonds, provided that the bonds of each component of the consolidated bonds shall mature over a term not longer than the term permitted by the City Charter and other applicable law for such component and by the order authorizing such component. The bonds may be subject to call for redemption with or without premium at the election of the City before the date fixed for final payment of the bonds. An Authorized Representative is authorized to sign such agreements, instruments and certificates as are required in connection with the issuance of the bonds.

(3) An amount sufficient for the payment of the annual installments of principal of and interest on the bonds or any notes shall be included in the tax levy for each year during which any of such bonds or notes shall be outstanding until the debt represented by the bonds or notes is extinguished.

(4) An Authorized Representative be and hereby is authorized to borrow at one time or from time to time in anticipation of the bonds to be issued as herein authorized, when and as funds may be required, a sum or sums not exceeding the aggregate principal amount of the bonds as herein authorized, and to prepare, sell, with or without public bidding, and issue, the temporary note or

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notes of the City therefor and to renew the same as deemed advisable, provided that any such temporary note or renewal note shall be paid within the maximum term permitted by law therefor. An Authorized Representative is hereby authorized and directed, subject to the provisions of this Order and applicable provisions of law, to sign and determine the date or dates of the note or notes (including renewal notes), the interest rate or rates they shall bear and all other details of things necessary and proper to effectuate the sale and issue thereof, provided that each note shall be signed by an Authorized Representative and by the Mayor, whose signature may be by facsimile, and shall bear the City seal or an authorized facsimile thereof. The notes may be subject to call for redemption with or without premium at the election of the City before the date fixed for final payment of the notes. An Authorized Representative is authorized to sign such other agreements, instruments or certificates as are required in connection with the issuance of the notes.

(5) For purposes of U.S. Treasury Regulation §1.150-2, the City reasonably expects (1) to incur debt to reimburse expenditures (including expenditures made within the last sixty (60) days) temporarily advanced from funds of the City, such expenditures to be made to pay the cost, or a portion of the cost, of the foregoing improvement and (2) that the maximum principal amount of debt to be issued by the City for the foregoing improvement including for reimbursement purposes is \$1,576,000 and an Authorized Representative is authorized to advance money of the City for payment of such costs.

(6) Section 5 of this Order takes effect when approved by the City Council. Sections 1, 2, 3 and 4 of this Order take effect when approved by the City Council initially for the purpose of submitting the following question of ratification of the borrowing authorization to the voters of the City at the municipal election to be held on November 6, 2018 in substantially the following form:

“Do you favor borrowing money as authorized by City Council Order No **TDB** to provide an amount not to exceed \$1,576,000 to pay costs of capital expenditures for the reconstruction, renovation, repair and improvement of City streets, sidewalks and related facilities throughout the City? (Voter approval of the borrowed amount will not require an increase in City taxes because the costs of repaying the borrowed amount will be paid from tax increment finance district (TIF) revenues.)”

If such question is answered in the affirmative by a majority of the voters voting thereon at such November 6, 2018 election, then Sections 1, 2, 3 and 4 of this Order take effect for all purposes set forth in this Order.