

Mayor
Elise Partin

Mayor Pro-Tem
Tara S. Almond

Council Members
Phil Carter
Eva Corley
James E. Jenkins

City Manager
Tracy Hegler

Assistant City Manager
James E. Crosland



**City of Cayce
Regular Council Meeting
Tuesday, April 7, 2020 at 6:00 p.m.**

**Cayce City Hall is currently closed to the public.
Please use the following method to attend the Council Meeting:
Telephone: 1 803 454-9549
Conference ID: 612 695 270#
caycesc.gov**

I. Call to Order

- A. Invocation and Pledge of Allegiance
- B. Approval of Minutes
 - March 3, 2020 Regular Meeting
 - March 18, 2020 Regular Meeting
 - March 27, 2020 Special Meeting

II. Public Comment Regarding Items on the Agenda

Special Note: Citizens wishing to speak on an item on the Agenda will need to call the City Clerk at 803-550-9557 by 10am Tuesday, April 7, 2020. Please leave a voicemail and your call will be returned before the council Meeting.

III. Ordinances

- A. Discussion and Approval of Emergency Ordinance 2020-06 Declaring and Imposing a Daily Curfew
- B. Discussion and Approval of Ordinance 2020-07 Providing for the Issuance and Sale of Water and Sewer System Refunding Revenue Bonds of the City of Cayce, South Carolina, in an Amount Not Exceeding Twenty-Seven Million Dollars (\$27,000,000) and other Matters Relating Thereto – First Reading

IV. City Manager's Report

V. Council Comments

VI. Executive Session

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
- B. Discussion of negotiations incident to proposed contractual arrangement for a sewer line project and Town of Lexington Utility Service

VII. Reconvene

VIII. Possible Actions by Council in follow up to Executive Session

- A. Discussion and Approval of Proposed Contractual Arrangement for Sewer Line Project and Town of Lexington Utility Service

IX. Adjourn

SPECIAL NOTE: Upon request, the City of Cayce will provide this document in whatever form necessary for the physically challenged or impaired.

Mayor
Elise Partin

Mayor Pro-Tem
Tara S. Almond

Council Members
Phil Carter
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City Manager
Tracy Hegler

Assistant City Manager
James E. Crosland



**City of Cayce
Regular Council Meeting
March 3, 2020**

A Regular Council Meeting was held this afternoon at 6:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. City Manager Tracy Hegler, Assistant City Manager Jim Crosland, Municipal Clerk Mendy Corder, City Treasurer Kelly McMullen, Planning and Development Director Carroll Williamson, Director of Public Safety Byron Snellgrove, Director of Human Resources Lynn Dooley and City Attorney Danny Crowe were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Corder confirmed they were notified.

Call to Order

Mayor Partin called the meeting to order and Council Member Almond gave the invocation. Mayor Partin led the assembly in the Pledge of Allegiance.

Approval of Minutes

Council Member Almond made a motion to approve the February 4, 2020 Regular Council Meeting minutes and the February 19, 2020 Regular Council Meeting minutes as written. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

Public Comment Regarding Items on the Agenda

No one signed up for Public Comment.

Presentations

A. Presentation of Tartan Day South Flag to the City of Cayce by Mr. John Banks

Mr. John Banks presented Council with a Tartan Day South flag that he had designed. He stated that this year is the tenth annual Tartan Day South. He stated that in 2019 he applied for Tartan Day South to have its own tartan. He stated that tartans are usually assigned to families and territories in Scotland. Mr. Banks stated that in the application he asked to use the primary colors of the City since the City of Cayce has been an integral part in funding and assisting with making the festival grow. He stated that Tartan Day South received a certificate from the National Registrar of Scotland for its tartan. He asked if possible that the flag be flown a month prior to the Tartan Day South events every year at City Hall.

Ordinances

A. Discussion and Approval of Ordinance 2020-02 Amending City Code Chapter 12 Business License Ordinance of the City of Cayce – Second Reading

Council Member Carter made a motion to approve Ordinance 2020-02 on Second Reading. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

B. Discussion and Approval of Ordinance 2020-03 Amending the Zoning Map and Rezoning Property Located at the Southwest Corner of Saxe Gotha and 12th Street Extension (Tax Map Number 006897-01-042, Plat Book 16753, Page 163) from M-1 to PDD – First Reading

Ms. Hegler stated that Council approval was needed for the First Reading of an Ordinance to re-zone property located at the southwest corner of Saxe Gotha Road and 12th Street Extension (TMS#006897-01-042) from M-1 Light Industrial to PDD Planned Development District. She stated that the applicant wished to re-zone the property. This property is approximately 36 acres and is currently located in the I-77 Gateway Design Overlay District. Properties surrounding this property are all zoned M-1 Light Industrial and are also in the I-77 Gateway Design Overlay District.

Ms. Hegler stated that the applicant is proposing a village-like development titled Southern Commons with a mixture of uses, including retail, hotel and restaurants, entertainment, multi-family housing and lifestyle storage, as well as a parking structure. Five outparcels are proposed along Saxe Gotha Road. The development will have three entrances off of Saxe Gotha Road and will include internally a Main Street running east and west and a pond and community gathering area on the western end of the development. She stated that the requested re-zoning is in compliance with the Zoning Ordinance and is permitted as a compatible zoning district according to the criteria of the Future Land Use Map. The Planning Commission voted on the requested re-zoning from M-1 to PDD at the Planning Commission meeting on February 25, 2020.

Ms. Hegler stated that staff would like to work with the applicant on additional building design standards as well as the inclusion of more exhibits for Second Reading.

Council Member Carter made a motion to approve Ordinance 2020-03 on First Reading. Council Member Jenkins seconded the motion. Council Member Almond stated that she was in support of the project but would like to see as much retail as possible in the early phases of the project. Mayor Partin called the question which was unanimously approved by roll call vote.

City Manager's Report

Ms. Hegler stated that the City was hosting its second Census Complete Count Committee meeting Friday, March 6, 2020 at 9:30am at the Cayce Museum. She stated that the objective was to develop unique strategies on how staff can spread information about the importance of the Census and ensure that the response rates increase. She stated that Tartan Day South is scheduled for Saturday, April 4 and staff will represent the Soiree on State and the City Museum there. Ms. Hegler stated that staff was in full Soiree-planning swing. She reminded Council that the Soiree is scheduled for April 25, with gates opening at 2:00pm, and music starting at 3:00pm. Ms. Hegler stated that she would distribute to Council a calendar of proposed upcoming budget meetings at the end of the meeting.

Committee Matters

- A. Approval to enter the following Committee approved Minutes into the City's Record
 - Zoning Board of Appeals – December 16, 2019
 - Planning Commission – January 27, 2020

Council Member Almond made a motion to enter the approved Committee minutes into the City's record. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

- B. Appointments and Reappointments
 - Cayce Public Safety Foundation – One (1) Position

Council Member Carter made a motion to reappoint Ms. Pamme Eades to the Cayce Public Safety Foundation. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Council Comments

There were no Council comments.

Executive Session

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
- B. Discussion of possible contractual arrangements concerning Lexington County water rates
- C. Discussion of negotiations incident to proposed contractual arrangements for two sewer line projects

D. Discussion of status of franchises and providing of notices under existing franchises

Council Member Jenkins made a motion to move into Executive Session. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, Council Member Jenkins made a motion to reconvene the Regular meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible Actions by Council in follow up to Executive Session

A. Discussion and Approval of Proposed Contractual Arrangements for Sewer Line Projects

Council Member Almond made a motion to authorize the City Manager to approve one sewer line project and decline one sewer line project as discussed in Executive Session. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Adjourn

Council Member Corley made a motion to adjourn the meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. There being no further business, the meeting adjourned at 6:40 p.m.

Elise Partin, Mayor

ATTEST:

Mendy Corder, CMC, Municipal Clerk



Mayor
Elise Partin

Mayor Pro-Tem
Tara S. Almond

Council Members
Phil Carter
Eva Corley
James E. Jenkins

City Manager
Tracy Hegler

Assistant City Manager
James E. Crosland

**City of Cayce
Regular Council Meeting
March 18, 2020**

A Regular Council Meeting was held this afternoon at 5:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. City Manager Tracy Hegler, Municipal Clerk Mendy Corder, Planning and Development Director Carroll Williamson, Director of Public Safety Byron Snellgrove, and City Attorneys Danny Crowe and Lawrence Flynn were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Corder confirmed they were notified.

Call to Order

Mayor Partin called the meeting to order and Council Member Corley gave the invocation. Mayor Partin led the assembly in the Pledge of Allegiance.

Public Comment Regarding Items on the Agenda

No one signed up for Public Comment.

Ordinances and Other

- A. Discussion and Approval of Ordinance 2020-03 Amending the Zoning Map and Rezoning Property Located at the Southwest Corner of Saxe Gotha and 12th Street Extension (A Portion of Tax Map Number 006897-01-042, Plat Book 16753, Page 163) from M-1 to PDD – Second Reading

Ms. Hegler stated that since the First Reading, language and illustrations have been added to provide more detail on the Main Street and Commons areas. It also clarifies that lifestyle storage will be compatible with the adjacent multi-family building, and provides more detail on the colors of the buildings. She stated that staff asked for these items to be included for Second Reading of the Ordinance.

Council Member Almond made a motion to approve Ordinance 2020-03 on Second Reading. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

- B. Discussion and Approval of Ordinance 2020-04 Authorizing Electronic Meetings of Council, Quorums and Voting by Electronic Means, and Other Related Measures for Council Meetings

Ms. Hegler stated that Mr. Crowe drafted the Emergency Ordinance in light of the current situation with COVID-19. Council Member Corley made a motion to approve the Emergency Ordinance. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

C. Discussion of Status of Certain Franchises and Authorization for City Manager to Provide Appropriate Notices Under the Franchises

Mr. Crowe stated that the City has been engaged in negotiation of new franchises for electric and gas utilities with which the City has current franchises with SCE&G and Mid-Carolina Co-op. He stated that the negotiations have stalled and he and Ms. Hegler were requesting that Council authorize the City Manager to provide the two year notice of proposed date of termination to the electric and gas utilities with which the City has these franchises. Mr. Crowe stated that it would take two years for that to go into effect but he and Ms. Hegler believe that it would be of assistance with the negotiations of new franchises.

Council Member Corley made a motion to authorize the City Manager to provide the two year notice to the electric and gas utilities with which the City has franchises. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

City Manager's Report

Ms. Hegler updated Council on the steps that staff have taken in response to the COVID-19 pandemic. She stated that on Monday, March 16 public access to City buildings was prohibited for the next two weeks. She stated that all business is being conducted through the City's drive thru window. She stated that all City services are functioning as normal. Ms. Hegler stated that all the City's Parks are closed except the Riverwalk. She stated that upcoming events have been cancelled. Staffing plans are being looked at so the City will be prepared if staff has to be reduced. She stated that the next step would be to limit services but the City is not at that point yet. She stated that the City of Columbia had enacted a curfew and staff was discussing if the City needs to do that as well. She stated that staff spoke to the City Attorney to ensure that the City has the legal means to enact a curfew if necessary. Ms. Hegler stated that staff was working diligently to push out the City's response to the COVID-19 to citizens. She stated that staff was concerned about local businesses and are looking for ways to make sure they can continue to operate. She stated that staff was still working on the budget and would present it to Council in the near future. She stated that staff's goal was to continue to provide services as long as it was safe and healthy to do so. She stated that if Council ever had any questions about what staff was doing in response to COVID-19 to please call her.

Council Member Corley asked for details on the curfew that the City of Columbia implemented. Ms. Hegler stated that Columbia's curfew is from 11pm to 6am. She

stated that the curfew ensures that there are less people on the streets so it is easier for Public Safety Officers to enforce patrol. She stated that ideally a curfew would be imposed at the state level.

Mr. Crowe stated that the Emergency Ordinance gives Council the ability to have an emergency meeting with the Freedom of Information Act notice requirements waived. He stated that if Council feels from a public safety perspective that a curfew should be implemented then an Ordinance can be put into effect quickly. Mr. Crowe stated that Emergency Ordinances, under state law, expire after 60 days on their own without further action from Council. Ms. Hegler stated that she asked Chief Snellgrove to monitor nighttime activities and if there was a cause for concern staff would bring that back to Council.

Committee Matters

A. Appointments and Reappointments Museum Commission – Two (2) Positions

Council Member Jenkins made a motion to reappoint Ms. Judy Corbitt to the Cayce Museum Commission and appoint Mr. Larry Whitener to the Museum Commission. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Council Comments

Council Member Carter voiced concern about how the COVID-19 issue would affect the City's local businesses and restaurants. He asked Ms. Hegler to forward the requirements and guidelines for the City's Hospitality Tax to Council.

Executive Session

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege**
- B. Discussion of possible contractual arrangements concerning Lexington County water rates**
- C. Discussion of negotiations incident to proposed contractual arrangement for a sewer line project and Town of Lexington Utility Service**
- D. Discussion of refunding options for certain outstanding utility revenue bonds**

Council Member Jenkins made a motion to move into Executive Session. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible Actions by Council in follow up to Executive Session

A. Discussion and Approval of Proposed Contractual Arrangement for Sewer Line Project and Town of Lexington Utility Service

Council Member Almond made a motion to postpone this item until the City Attorney could get more information from the Town of Lexington on the implications of this action. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

B. Approval and Authorization for City Manager to Accept and Negotiate Term Sheet for Refunding of Outstanding Utility Revenue Bonds

Council Member Almond made a motion to authorize the City Manager to accept and negotiate a term sheet for refunding the City's outstanding Utility revenue bonds. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Adjourn

Council Member Almond made a motion to adjourn the meeting. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. There being no further business, the meeting adjourned at 5:49 p.m.

Elise Partin, Mayor

ATTEST:

Mendy Corder, CMC, Municipal Clerk



Mayor
Elise Partin

Mayor Pro-Tem
Tara S. Almond

Council Members
Phil Carter
Eva Corley
James E. Jenkins

City Manager
Tracy Hegler

Assistant City Manager
James E. Crosland

**City of Cayce
Special Council Meeting
March 27, 2020**

A Special Council Meeting was held this morning at 11:00 a.m. via Microsoft Teams video meeting software. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. City Manager Tracy Hegler, Assistant City Manager Jim Crosland, Municipal Clerk Mendy Corder, IT Director Jamie Beckham and City Attorney Danny Crowe were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Corder confirmed they were notified. Mayor Partin stated that the meeting was being recorded through Microsoft Teams program. She stated that the public was provided a call in number to be able to follow all of the City business as normal. She asked any caller to mute their audio so there would not be any feedback. She stated that the meeting organizer was also able to mute calls. Mayor Partin stated that the public could speak on any item on the agenda if they prearranged speaking with the city's Municipal Clerk.

Call to Order

Mayor Partin called the meeting to order and Council Member Jenkins gave the invocation. Mayor Partin led the assembly in the Pledge of Allegiance.

Public Comment Regarding Items on the Agenda

No one signed up for Public Comment.

Ordinances and Other

- A. Discussion and Approval of Emergency Ordinance 2020-05 Suspending Tax Penalties for Certain Taxes, Extending Deadlines for Certain Taxes and Registrations, Suspending Prohibition of Certain Temporary Signs, Postponing Certain Meetings of City Boards and Commissions, and Extending Certain Code Deadlines for City Staff or City Council Action

Ms. Hegler stated that the proposed Ordinance would provide some emergency relief that the City felt was important to provide particularly for the local businesses during the current time. She stated that per the Ordinance the City business license tax due date would be extended from April 30, 2020 to May 31, 2020. The City hospitality tax due dates of April 20 and May 20, 2020 would be extended to May 31, 2020. The City local accommodations tax due dates of April 20 and May 20, 2020 would be extended to May 31, 2020. Ms. Hegler stated that the penalties associated with late payment of business license tax and hospitality tax would be suspended until June 1, 2020.

Ms. Hegler stated that all meetings and hearing of City Boards, Commissions, and Committees would be postponed through May 31, 2020. Prohibition of temporary signs would be suspended for businesses advertising drive-thru, pick up, to go orders, and hours of operation only. She stated that the due date for non-owner occupied and non-occupied property registration would be extended to May 31, 2020 as well.

Council Member Almond made a motion to approve Ordinance 2020-05. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

City Manager's Report

Ms. Hegler updated Council on the steps that staff have taken in response to the COVID-19 pandemic. She stated that staffing is working well and all services are still being provided.

Council Comments

Council Member Jenkins stated that it was dangerous times and asked everyone to stay safe during the pandemic.

Executive Session

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege

Council Member Jenkins made a motion to move into Executive Session. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

Possible Actions by Council in follow up to Executive Session

Council Member Almond made a motion to authorize City staff to prepare a Resolution for the Mayor's signature urging the Governor to immediately implement appropriate stay-at-home restrictions for the benefit of public health for the citizens of the State. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

Adjourn

Council Member Almond made a motion to adjourn the meeting. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. There being no further business, the meeting adjourned at 11:50 a.m.

Elise Partin, Mayor

ATTEST:

Mendy Corder, CMC, Municipal Clerk

STATE OF SOUTH CAROLINA)	EMERGENCY ORDINANCE 2020-06
)	
COUNTY OF LEXINGTON)	DECLARING AND IMPOSING A
)	DAILY CURFEW
CITY OF CAYCE)	

WHEREAS, S.C. Code section 5-7-250(d) authorizes Council to adopt emergency ordinances (with certain limitations not applicable to this Ordinance) for a limited period of up to sixty days; and

WHEREAS, the current coronavirus pandemic has created an emergency for our City, our State, and our Nation, such that the Council, in the exercise of its statutory authority, believes it to be in the interests of public safety and public health and public welfare, the maintenance of good public order, the protection of public and private property, and the effective operation of the City government and its public safety resources, to provide, for a temporary period, for a daily curfew with restricted travel, with certain conditions and exceptions, as provided below,

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Cayce, in Council, duly assembled, as follows:

1. A daily City-wide curfew is hereby established and imposed beginning at 11:00 p.m. on _____, April ____, 2020, and restricting the travel of individuals every day from 11:00 p.m. until 5:00 a.m. with the exception of individuals traveling to and from work and for healthcare. Individuals shall stay in their homes and not travel through or congregate in the streets, sidewalks, waterways, alleyways, parking lots, public ways, public rights-of-way, and/or other public spaces in the City of Cayce, including the premises of establishments that hold a City of Cayce business license, except as provided herein.
2. During the curfew, the following persons are exempted and are free to travel to carry out their duties: law enforcement officers, firefighters, EMS personnel, active duty military, health care providers and professionals, and public works and utility workers employed by any utility serving the public, including any such persons employed by the City of Cayce, the City of Columbia, the City of West Columbia, the Town of Lexington, the Town of Springdale, the County of Lexington, the County of Richland, the State of South Carolina, or the United States of America.
3. Any person violating any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction shall be subject to punishment as set forth under Section 1-6 of the City Code. Each day of violation, and each violation occurring within a daily period of curfew, shall be considered a separate offense.
4. For the duration of this Ordinance, it is unlawful for a person to willfully fail or refuse to comply with any lawful order or direction of officers of the City of Cayce Department of Public Safety issued pursuant to the enforcement of this Ordinance.

This Ordinance shall become effective upon adoption, with the daily curfew to begin at 11:00 p.m. on _____, April ____, 2020, to continue until the earlier of repeal of this Ordinance or the automatic expiration of this Ordinance on the 61st day after enactment of this Ordinance.

DONE IN MEETING DULY ASSEMBLED, this _____ day of April 2020.

Elise Partin, Mayor

Attest:

Mendy Corder, CMC, Municipal Clerk

First Reading and Adoption: _____

Approved as to form: _____
Danny C. Crowe, City Attorney

Memorandum

To: Mayor and Council

From: Tracy Hegler, City Manager

Date: April 3, 2020

Subject: First Reading of a 2020 Series Ordinance – Selling Water and Sewer System Refunding Revenue Bonds

ISSUE

Council approval is needed to approve First Reading of a series Ordinance providing for the issuance and sale of water and sewer system refunding revenue bonds of the City, in an amount not exceeding \$27,000,000 and other matters relating thereto.

DISCUSSION

At its meeting on March 18, 2020, City Council authorized the City Manager to accept and negotiate a term sheet for refunding certain of the City's outstanding water and sewer system revenue bonds - particularly, the Series 2009 SRF Loan & the Series 2015 SRF Loan.

The City plans to redeem one or both of these outstanding bonds, if a bank offers a low enough interest rate to realize a savings. Should we not find a buyer with acceptable interest rates, the sale will not occur at the discretion of the City Manager and in consultation with the City's financial advisor.

RECOMMENDATION

Staff recommends that Council give First Reading of the series Ordinance to authorize the issuance of water and sewer system refunding revenue bonds.

A SERIES ORDINANCE

PROVIDING FOR THE ISSUANCE AND SALE OF WATER AND SEWER SYSTEM REFUNDING REVENUE BONDS OF THE CITY OF CAYCE, SOUTH CAROLINA, IN AN AMOUNT NOT EXCEEDING TWENTY-SEVEN MILLION DOLLARS (\$27,000,000), AND OTHER MATTERS RELATING THERETO.

SERIES ORDINANCE

Dated: April 22, 2020

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STATE OF SOUTH CAROLINA)
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 COUNTY OF LEXINGTON)
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 CITY OF CAYCE)
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A SERIES ORDINANCE

PROVIDING FOR THE ISSUANCE AND SALE
 OF WATER AND SEWER SYSTEM
 REFUNDING REVENUE BONDS OF THE
 CITY OF CAYCE, SOUTH CAROLINA, IN AN
 AMOUNT NOT EXCEEDING TWENTY-
 SEVEN MILLION DOLLARS (\$27,000,000),
 AND OTHER MATTERS RELATING
 THERETO.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAYCE,
 SOUTH CAROLINA IN MEETING DULY ASSEMBLED:**

ARTICLE I - FINDINGS OF FACT

Section 1.01. Findings.

As an incident to the enactment of this ordinance (this “**2020 Series Ordinance**”), and the issuance of the bonds provided for herein, the City Council of the City of Cayce (the “**City Council**”), the governing body of the City of Cayce, South Carolina (the “**City**”), finds that the facts set forth in this Article exist and the following statements are in all respects true and correct:

(a) The City Council has made general provision for the issuance of Water and Sewer System Revenue Bonds (the “**Bonds**”) of the City from time to time by the terms of an ordinance entitled “A MASTER BOND ORDINANCE COLLAPSING AND TERMINATING AN AMENDED AND RESTATED INDENTURE OF TRUST IN ORDER TO PROVIDE FOR THE ISSUANCE AND SALE OF WATER AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF CAYCE, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO,” duly enacted on February 2, 2016 (the “**Bond Ordinance**”). Terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Ordinance.

(b) It is provided in and by the Bond Ordinance that, upon enactment of a “Series Ordinance,” there may be issued one or more Series (as defined in the Bond Ordinance) of Bonds for the purposes, among others, of providing funds for expansions, additions and improvements of the Water and Sewer System of the City (the “**System**”), including the recoupage of funds already expended, providing funds to pay any outstanding bond anticipation notes of the City issued in anticipation of the issuance of Bonds, refunding Bonds payable from the revenues of the System, providing funds for the payment of interest due on Bonds, funding or restoring any Debt Service Reserve Funds, if any, in an amount equal to the Reserve Requirement (as such terms are defined in the Bond Ordinance), and paying the costs of issuing Bonds.

(c) The City has the following five Series of Bonds currently Outstanding (collectively, the “*Parity Bonds*”)¹:

(1) the now outstanding installments of the originally issued \$1,650,000 Water and Sewer System Revenue Bond, Series 2002;

(2) the now outstanding installments of the originally issued not exceeding \$33,733,234, plus capitalized interest, if any, Water and Sewer System Improvement Revenue Bond, Series 2009 (the “*Series 2009 Bond*”)²;

(3) the now outstanding installments of the originally issued not exceeding \$3,734,073, plus capitalized interest, if any, Water and Sewer System Improvement Revenue Bond, Series 2015 (the “*2015 Bond*” and together with the Series 2009 Bond, the “*Refunded Bonds*”);

(4) the now outstanding installments of the originally issued \$8,470,000 Water and Sewer System Refunding Revenue Bonds, Series 2016A (Taxable); and

(5) the now outstanding installments of the originally issued \$4,500,000 Water and Sewer System Refunding Revenue Bonds, Series 2016B.

(d) On the basis of the authority provided in the Bond Ordinance, the City has determined to issue Bonds in one or more series to: (1) provide for the refunding of the Refunded Bonds; and (2) pay the costs of issuance of the Series 2020 Bonds (as defined herein). The City Council, acting through the City Manager, with the advice of Compass Municipal Advisors, LLC, as the independent municipal advisor to the City (the “*Municipal Advisor*”), shall make a determination as to which of the Refunded Bonds (if any) and whether all or a portion of such Refunded Bonds shall be refunded with the proceeds of the Series 2020 Bonds, respectively.

(e) In order to provide the moneys necessary to redeem the outstanding principal, interest and premium, if any, of the Refunded Bonds, the City Council has determined to enact this 2020 Series Ordinance as a “Series Ordinance” in accordance with the terms and provisions of the Bond Ordinance.

(f) Upon the issuance of the Series 2020 Bonds, the Series 2020 Bonds, together with all additional Series of Bonds issued pursuant to terms of the Bond Ordinance, shall be issued on a parity with the Parity Bonds, excluding any of the Refunded Bonds redeemed with the proceeds of the Series 2020 Bonds.

¹ The City also has outstanding its originally issued \$8,000,000 Tax Increment Revenue Bonds, Series 2017 (the “*TIF Bonds*”), which are secured by a junior lien pledge of the Net Revenues (as defined in the Bond Ordinance). The TIF Bonds constitute a Junior Lien Bond under the Bond Ordinance and are subordinate and inferior in all respects to the pledge of the Net Revenues securing the Parity Bonds and any additional Series of Bonds (as such terms are defined in the Bond Ordinance) issued on a parity therewith under the Bond Ordinance.

² Pursuant to a contract between the City and the Joint Municipal Water and Sewer Commission, 30.183% of the debt service on the 2009 Bond, plus an additional 15% of such amount for debt service coverage, is paid by the Commission to the City on a monthly basis.

(g) By reason of the foregoing, the City has determined to enact this 2020 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to issue Bonds for the purposes described in paragraph (d) above.

* * *

ARTICLE II - DEFINITIONS AND AUTHORITY

Section 2.01. Definitions.

(a) Except as provided in subsection (b) below and Section 1.01 of this 2020 Series Ordinance, all terms which are defined in Section 2.02 of the Bond Ordinance shall have the same meanings in this 2020 Series Ordinance as such terms are prescribed to have in the Bond Ordinance.

(b) As used in this 2020 Series Ordinance, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“2020 Debt Service Fund Account” shall mean the account established within the Debt Service Fund to provide for the payment of the principal of and interest on the Series 2020 Bonds in accordance with the provisions of Section 7.04 of the Bond Ordinance.

“Authorized Officer” shall have the meaning ascribed thereto in the Bond Ordinance.

“Bond Payment Date(s)” shall mean such date or dates as determined pursuant to the provisions of Section 4.03 hereof.

“City Manager” shall mean the City Manager of the City.

“Holder” shall mean the registered owner of the Series 2020 Bonds.

“Paying Agent” shall mean U.S. Bank National Association, its successors and assigns.

“Purchaser” shall mean the financial or banking institution that purchases the Series 2020 Bonds.

“Registrar” shall mean U.S. Bank National Association, its successors and assigns.

“Series 2020 Bonds” shall mean the bonds authorized by the provisions of this 2020 Series Ordinance.

“Series Ordinance” shall mean this 2020 Series Ordinance.

“Trustee” shall mean U.S. Bank National Association, its successors and assigns.

Section 2.02. Authority for this 2020 Series Ordinance.

This 2020 Series Ordinance is enacted pursuant to the provisions of the Bond Ordinance.

* * *

ARTICLE III - USEFUL LIFE

Section 3.01. Determination of the Useful Life of the System.

The period of usefulness of the System is hereby determined to be not less than forty (40) years from the date of enactment of this 2020 Series Ordinance.

* * *

ARTICLE IV - AUTHORIZATION AND TERMS OF SERIES 2020 BONDS

Section 4.01. Principal Amount of Series 2020 Bonds; Designation of Series 2020 Bonds.

(a) Pursuant to the provisions of the Enabling Act and the Bond Ordinance, Bonds of the City entitled to the benefits, protection and security of the provisions of the Bond Ordinance are hereby authorized in the principal amount of not exceeding \$27,000,000. The Bonds so authorized shall be designated “City of Cayce, South Carolina Water and Sewer System Refunding Revenue Bonds, Series 2020” (the “*Series 2020 Bonds*”).

(b) The Series 2020 Bonds may be sold in such additional Series and bearing alternative series designations as determined by the City Manager, but in all cases shall include the calendar year of the issuance thereof. Should the Series 2020 Bonds not be issued in calendar year 2020, the designation for the Series 2020 Bonds and all other references to “2020” recited herein shall be changed to appropriately reflect the year of such actual issuance.

(c) One or more Series of the 2020 Bonds may be sold on a taxable basis and any Series of Series 2020 Bonds issued as taxable obligations shall bear an appropriate designation so as to distinguish its tax status. So long as the aggregate par amount of the Series 2020 Bonds does not exceed \$27,000,000, the City Manager is hereby authorized to determine the principal amount of the Series 2020 Bonds and other items related to the sale and marketability of the Series 2020 Bonds – including any necessary determination as to which of the Refunded Bonds (if any) and whether all or a portion of such Refunded Bonds shall be refunded with the proceeds of the 2020 Bonds, respectively. References herein to the Series 2020 Bonds shall include all Series of Bonds as may be authorized under the terms of this 2020 Series Ordinance.

Section 4.02. Purposes of Series 2020 Bonds.

The Series 2020 Bonds are authorized for the principal purposes of: (a) providing the necessary funds that, together with other available moneys of the City, will be sufficient to effect a current refunding of the Refunded Bonds; and (b) paying costs and expenses related to the issuance of the Series 2020 Bonds.

Section 4.03. Date of Issue, Interest Rate, Maturity and Redemption of Series 2020 Bonds.

(a) The Series 2020 Bonds shall be dated the day of original delivery thereof or such other date prior to the delivery of the Series 2020 Bonds as the City Manager determines (the “*Date of Issue*”). The Series 2020 Bonds shall bear interest at a rate to be determined by the City Manager, on advice from the Municipal Advisor (calculated on a 360-day year of twelve 30-day months), and shall mature in the respective principal amounts as shall be determined by the City Manager at the time of original delivery of the Series 2020 Bonds; provided that the Series 2020 Bonds shall reach final maturity no later than the date which is twenty (20) years from the Date of Issue.

(b) Principal of and interest on the Series 2020 Bonds shall be payable in any coin or currency of the United States which at the time of payment is legal tender for the payment of public and private debts. The Series 2020 Bonds shall be payable with respect to principal of and interest on such date or dates as shall be determined by the City Manager (the “**Bond Payment Date(s)**”). The Record Dates for the payment of interest on the Series 2020 Bonds shall be the 15th day of the month prior to each interest payment date.

(c) The Series 2020 Bonds shall be subject to redemption prior to final maturity, if at all, at the times and prices as shall be determined by the City Manager at the time of the original delivery of the Series 2020 Bonds.

Section 4.04. Authentication; Payment of Series 2020 Bonds.

(a) The Series 2020 Bonds shall be authenticated by the Trustee on such date as the same shall be delivered. The Series 2020 Bonds shall bear interest from the Date of Issue if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of authentication of the Series 2020 Bonds.

(b) The Principal Installments of and interest on the Series 2020 Bonds shall be paid by check or draft mailed from the office of the Trustee to the person in whose name the Series 2020 Bonds are registered at the close of business on the Record Date. Presentment of the Series 2020 Bonds for payment shall not be required, except for the final payment of the principal and interest thereon or upon such other condition or indicia of satisfaction as may be mutually agreed-upon by the City and the Purchaser.

(c) Any Holder of the Series 2020 Bonds may request, prior to the applicable Record Date, that interest payments be made by wire transfers to such Holder at an account specified by such Holder.

Section 4.05. Denomination of Series 2020 Bonds.

Each of the Series 2020 Bonds shall initially be issued as a single, typewritten bond and in an aggregate principal amount not exceeding \$27,000,000.

Section 4.06. Appointment of Trustee; Maintenance of Offices for Payment, Transfer, and Exchange of Series 2020 Bonds.

(a) U.S. Bank National Association, the trustee for the Parity Bonds, is hereby appointed as Trustee, Paying Agent and Registrar under the Bond Ordinance with respect to the Series 2020 Bonds, and shall signify its acceptance of such duties upon delivery of the Series 2020 Bonds. The City shall pay to the Trustee from time to time reasonable compensation based on the then-standard fee schedule of such parties for all services rendered under the Bond Ordinance and this 2020 Series Ordinance, and also all reasonable expenses, charges, counsel fees, and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Bond Ordinance and this 2020 Series Ordinance.

(b) The Series 2020 Bonds shall be presented for registration of transfers and exchanges, and notices and demands to or upon the Trustee and the City in respect of the Series 2020 Bonds, at the corporate trust office of the Trustee.

Section 4.07. 2020 Debt Service Fund Account

Within the Debt Service Fund, the 2020 Debt Service Fund Account is hereby directed to be established by the Trustee on the date of original delivery of the Series 2020 Bonds and maintained by the Trustee for the benefit of the Holder of the Series 2020 Bonds. If the Series 2020 Bonds are issued in multiple Series, the City Manager may direct the Trustee to establish a Debt Service Fund Account for each Series of Bonds and all provisions applicable to the 2020 Debt Service Fund account shall apply with equal merit to each and every Debt Service Fund Account so created.

Section 4.08 Debt Service Reserve Fund.

There shall be no Debt Service Reserve Funds established in connection with the issuance of the Series 2020 Bonds.

Section 4.09 Delegations to the City Manager

(a) In addition to the explicit delegations already provided herein, the City Council hereby delegates to the City Manager, the authority: (a) to determine the aggregate principal amount of each of the Series 2020 Bonds to be issued, and the interest rates, maturities and redemptions provisions with respect thereto; (b) to determine the Date of Issue of the 2020 Bonds; (c) to determine whether to issue multiple Series of Bonds; (d) to determine which of the Refunded Bonds (if any) shall be refunded; (e) to determine whether all or a portion of each Refunded Bonds shall be refunded with the proceeds of the 2020 Bonds; (f) to determine whether one or more Series of the 2020 Bonds shall be issued on a taxable basis; and (g) to make any such other decisions concerning the 2020 Bonds as may be necessary or appropriate.

(b) The City Manager is permitted to retain and engage (i) Compass Municipal Advisors, LLC, as the Municipal Advisor, (ii) Pope Flynn, LLC as, bond counsel, and (iii) all other necessary decisions in connection with the issuance of the Series 2020 Bonds. The City Manager is further directed to consult with the Municipal Advisor and such other advisors as he determines to be appropriate in making any such decisions.

(c) In the absence of the City Manager, all other Authorized Officer shall be equally permitted to make any and all such determinations delegated to the City Manager herein.

Section 4.10. Form of Series 2020 Bonds.

The Series 2020 Bonds, together with the Certificate of Authentication and Assignment to appear thereon, shall be in substantially the following form with necessary and appropriate variations, omissions and insertions as permitted or required by the Bond Ordinance or this 2020 Series Ordinance, to wit:

(FORM OF BOND)

WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE 2020 SERIES ORDINANCE, THIS BOND MAY BE SOLD OR TRANSFERRED ONLY TO PURCHASERS WHO EXECUTE AN INVESTMENT LETTER DELIVERED TO THE CITY, IN FORM SATISFACTORY TO THE CITY, CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS AS TO THE SUITABILITY OF SUCH PURCHASERS TO PURCHASE AND HOLD THIS BOND. SUCH RESTRICTION SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THIS BOND.

CITY OF CAYCE, SOUTH CAROLINA
WATER AND SEWER SYSTEM REFUNDING REVENUE BOND,
SERIES 2020

No. _____

Interest Rate

Maturity Date

Date of Issue

CUSIP

Registered Holder:

Principal Amount: DOLLARS (\$_____)

CITY OF CAYCE, SOUTH CAROLINA (the “City”), acknowledges itself indebted and for value received hereby promises to pay, solely from the sources and as hereinafter provided, to _____, or its registered assigns, the principal amount of _____ DOLLARS (\$_____), in the manner provided below, with interest thereon from the date hereof at the rate of _____ percent (_____%) per annum. This Series 2020 Bonds (the “*Series 2020 Bonds*”) shall be payable _____ with respect to principal and interest on each _____ [and] _____ (the “*Bond Payment Date(s)*”) for a ____ (___) year term. Principal of and interest on this Series 2020 Bonds shall be payable in any coin or currency of the United States, which at the time of payment is legal tender for the payment of public and private debts.

The principal of and interest on this Series 2020 Bonds shall be paid by check or draft from the office of U.S. Bank National Association (the “*Trustee*”), to the person in whose name this Series 2020 Bond is registered on the Record Date at the address shown on the registration books, provided that the final payment of principal of and interest on this Series 2020 Bonds shall be made upon the presentment of this Series 2020 Bonds at the office of the Trustee.

This Series 2020 Bond is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the “*State*”), including particularly Chapter 17, Title 6,

inclusive, Code of Laws of South Carolina 1976, a bond ordinance (the “*Bond Ordinance*”) duly enacted by the City Council of the City (the “*City Council*”), the governing body of the City, on February 2, 2016, and a series ordinance duly enacted by the City Council on April 22, 2020 (the “*Series Ordinance*,” and together with the Bond Ordinance, the “*Ordinances*”). Certain capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Ordinances. Certified copies of the Ordinances are on file in the office of the Clerk of Court for Lexington County, South Carolina.

This Series 2020 Bond is issued for the principal purposes of obtaining funds (a) that, together with other available moneys of the City, will be sufficient to effect a current refunding of the Refunded Bonds, and (b) to pay the costs and expenses related to the issuance of the Series 2020 Bonds.

For the payment of the principal of and interest on this Series 2020 Bond issued pursuant to the Bond Ordinance, the City grants a pledge of and a lien upon the Net Revenues. Such pledge and lien securing the Series 2020 Bonds shall have priority over all other pledges except those made to secure any Bonds (as defined hereinbelow) as may be currently outstanding or issued from time to time in the future.

NEITHER THE FULL FAITH, CREDIT OR TAXING POWER OF THE STATE OF SOUTH CAROLINA NOR THE CITY ARE PLEDGED TO THE PAYMENT OF THIS SERIES 2020 BONDS, AND THIS SERIES 2020 BONDS SHALL NOT IN ANY EVENT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY PROVISION, LIMITATION OR RESTRICTION OF THE CONSTITUTION (EXCEPT ARTICLE X, SECTION 14 OF THE CONSTITUTION) OR STATUTES OF THE STATE OF SOUTH CAROLINA. THE CITY IS NOT OBLIGATED TO PAY THIS SERIES 2020 BONDS, OR THE INTEREST HEREON, SAVE AND EXCEPT FROM GROSS REVENUES DERIVED FROM THE OPERATION OF THE SYSTEM.

The Bond Ordinance authorizes the issuance of additional bonds on a parity with the pledge and lien given to secure this Series 2020 Bonds which, when issued in accordance with the provisions of the Bond Ordinance, will rank equally and be on a parity therewith (this Series 2020 Bonds and all bonds heretofore or hereafter issued on a parity therewith are hereinafter referred to as the “*Bonds*”).

The City has covenanted to continuously operate and maintain the System and fix and maintain such rates for the services and facilities furnished by the System as shall at all times be sufficient (a) to provide for the payment of the Operation and Maintenance Expenses as may be necessary to preserve the same in good repair and working order, (b) to maintain the Debt Service Funds and the Debt Service Fund Accounts thus provide for the punctual payment of the principal of and interest on all Bonds, (c) to maintain the Debt Service Reserve Funds, if any, in the manner therein prescribed, (d) to pay all amounts owing under a reimbursement agreement with any provider of a surety bond, insurance policy or letter of credit as contemplated under Section 7.05(D) of the Bond Ordinance, (e) to provide for the punctual payment of the principal of and interest on all Junior Lien Bonds that may from time to time be Outstanding, (f) to build and maintain a reserve for depreciation of the System, for contingencies and for improvements,

betterments and extensions to the System other than those necessary to maintain the same in good repair and working order, and (g) to discharge all obligations imposed by the Enabling Act and by the Bond Ordinance and any applicable Series Ordinance.

The Bond Ordinance provides that, in addition to other remedies, upon a default thereunder, the Trustee may, and upon the written request of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding, declare all Bonds Outstanding immediately due and payable.

This Series 2020 Bonds and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

This Series 2020 Bond is transferable, as provided in the Bond Ordinance, only upon the registration books of the City kept for that purpose and maintained by the Registrar, by the holder hereof in person or by his duly authorized attorney, upon (a) surrender of this Series 2020 Bond and an assignment with a written instrument of transfer satisfactory to the Trustee or any other Registrar, as the case may be, duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, prescribed in the Ordinances. Thereupon a new Series 2020 Bond of the same aggregate principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The City, the Trustee and the Registrar may deem and treat the person in whose name this Series 2020 Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of this Series 2020 Bonds, the City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

[INSERT REDEMPTION PROVISIONS]

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Series 2020 Bonds, exist, have been performed and have happened, that the amount of this Series 2020 Bonds, together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

This Series 2020 Bonds shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, CITY OF CAYCE, SOUTH CAROLINA, has caused this Series 2020 Bonds to be executed by the Mayor of the City of Cayce, South Carolina City Council, its corporate seal to be impressed hereon and the same to be attested by the Municipal Clerk of said City, all as of the _____ day of _____, 2020.

CITY OF CAYCE, SOUTH CAROLINA

(SEAL)

By: _____
Mayor

Attest:

Municipal Clerk
City of Cayce, South Carolina

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This is the Bond described in the within mentioned Ordinances of the City of Cayce, South Carolina.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar

By: _____
Authorized Representative

Date of Authentication: May ____, 2020.

FORM OF ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
unto

(please print or type name and address of Transferee of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Signature

(Authorized Officer)

Dated:

* * *

ARTICLE V - EXECUTION OF AND NO RECOURSE ON SERIES 2020 BONDS

Section 5.01. Execution of Series 2020 Bonds.

The Series 2020 Bonds shall be executed and authenticated in accordance with the applicable provisions of the Bond Ordinance; however, in the absence of the Mayor or the Municipal Clerk for any reason, an Authorized Officer shall be authorized to either execute the Series 2020 Bonds or attest to the execution of the Series 2020 Bonds on behalf of the absent party; however, in no event shall the same Authorized Officer be permitted to both execute and attest to the Series 2020 Bonds. If acting on behalf of an absent person, such Authorized Officer shall be authorized to execute, sign, certify or attest any documentation otherwise required of the Mayor or Municipal Clerk respecting the issuance and delivery of the 2020 Bonds.

Facsimiles or electronic signatures by the Mayor, Municipal Clerk or any Authorized Officer are expressly authorized and permitted with respect to the Series 2020 Bonds and all closing documents and certificates associated therewith.

Section 5.02. No Recourse on Series 2020 Bonds.

All covenants, stipulations, promises, agreements and obligations of the City contained in the Bond Ordinance or in this 2020 Series Ordinance shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not those of any officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal or redemption price of or interest on the Series 2020 Bonds or for any claim based thereon or on the Bond Ordinance or in this 2020 Series Ordinance, either jointly or severally, against any officer or employee of the City or any person executing the Series 2020 Bonds.

* * *

ARTICLE VI - SALE OF SERIES 2020 BONDS

Section 6.01 Sale of Series 2020 Bonds.

Prior to the enactment of this 2020 Series Ordinance and pursuant to an action item approved by City Council on March 18, 2020, the City Manager, depending on market conditions and acting on the advice of the Municipal Advisor, was and is authorized to solicit bids from banking or financial institutions upon such terms as the City Manager shall determine for the purchase of the Series 2020 Bonds. Further, and in lieu of soliciting bids, the City Manager was and is authorized to alternatively negotiate the terms and award the Series 2020 Bonds any other financial institution offer terms amenable to the City.

In negotiating and awarding the sale of the Series 2020 Bonds, the refunding of each of the Refunded Bonds is expressly conditioned upon the realization of interest cost savings through the issuance of the Series 2020 Bonds.

* * *

ARTICLE VII - APPLICATION OF PROCEEDS AND OTHER MONEY

Section 7.01 Use and Disposition of Proceeds.

Upon the delivery of the Series 2020 Bonds and receipt of the proceeds thereof, such proceeds shall be applied as follows:

(1) the sum necessary to redeem each of the Refunded Bonds shall be distributed by the Purchaser, either (i) directly to the holder of each of the Refunded Bonds, respectively, or (ii) to the Trustee, for ultimate distribution to the holders of the Refunded Bonds. Any payoff directly to the holder of the Refunded Bonds shall be made in accordance with the terms and conditions of closing memoranda dated as of the date of closing of the Series 2020 Bonds. Any payoff provided to the Trustee shall be made in accordance with the terms and conditions of closing memoranda and/or certain escrow deposit agreements dated as of the date of closing of the Series 2020 Bonds (collectively, the “*Escrow Deposit Agreement*”); and

(2) all remaining proceeds and other available funds shall be deposited in the 2020 Cost of Issuance Fund (the “*2020 COI Fund*”) and used to pay the costs of issuance on the Series 2020 Bonds.

Section 7.02 Authorization to Redeem the Refunded Bonds.

The City Council does hereby determine that the Refunded Bonds to be refunded by the Series 2020 Bonds shall be irrevocably called for redemption on such dates as determined by the City Manager. The City Manager is hereby authorized to (i) determine, upon the advice of the Municipal Advisor, how the Refunded Bonds shall be deemed (under Section 7.01 above) (ii) determine and select which maturities of the Refunded Bonds which are to be refunded with a portion of the proceeds of the Series 2020 Bonds, and (iii) acting alone or through the Trustee, provide for the notice of defeasance and notice of redemption, respectively and as applicable, in such manner, forms and times as required by the proceedings authorizing the issuance of the Refunded Bonds and the Enabling Act.

Section 7.03 Authorization to Execute Escrow Deposit Agreement.

As needed, the City Manager is hereby authorized to execute and deliver the Escrow Deposit Agreement in such form as he deems necessary in order to establish any escrow deposit account or accounts. The City Manager is further hereby authorized to (i) determine the type of investments that shall be made in the Escrow Deposit Agreement, (ii) select an escrow agent, (iii) give or direct the giving of any notice filings that may be required, (iv) take such action to properly redeem or defease or provide for the redemption or defeasance of the Refunded Bonds, and (v) determine whether or not to use one or more Escrow Deposit Agreements for the Refunded Bonds.

Section 7.04 Establishment of 2020 COI Fund.

There is hereby established the 2020 COI Fund. There shall be paid into the 2020 COI Fund the sums prescribed by Section 7.01(2) hereof. The 2020 COI Fund shall be held and

controlled by the Trustee, unless otherwise determined by the City Manager at the closing of the Series 2020 Bonds. Any remaining moneys in the 2020 COI Fund after payment of costs of issuance shall be transferred to the 2020 Debt Service Fund Account. Withdrawals for the payment of costs of issuance from the 2020 COI Fund shall be made upon written order of the City. The Trustee shall be fully protected in releasing monies from the 2020 COI Fund based upon such written orders of the City.

* * *

ARTICLE VIII – CERTAIN TAX AND DISCLOSURE CONSIDERATIONS

Section 8.01 General Covenant.

The City further represents and covenants that it will not take any action which will, or fail to take any action (including, without limitation, filing the required information report with the Internal Revenue Service) which failure will, cause interest on the Series 2020 Bonds to become includable in the gross income of the purchaser(s) thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Series 2020 Bonds. Without limiting the generality of the foregoing, the City represents and covenants that:

(a) All property financed or refinanced by the proceeds of the Series 2020 Bonds will be owned by the City in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The City shall not permit any facility financed or refinanced by the proceeds of the Series 2020 Bonds to be used in any manner that would result in (i) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the Code, or (ii) an amount greater than the lesser of \$5,000,000 or five percent (5%) of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The City is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Series 2020 Bonds or by notes paid by the Series 2020 Bonds that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, Code provision or regulation. The City is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the use of any facility financed or refinanced with the proceeds of the Series 2020 Bonds or by notes paid by the Series 2020 Bonds for research that does not conform to the guidelines set forth in Revenue Procedure 2007-47, or a successor revenue procedure, Code provision or regulation.

(d) The City will not sell or lease any property financed or refinanced by the proceeds of the Series 2020 Bonds to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Series 2020 Bonds.

(e) The Series 2020 Bonds will not be federally guaranteed within the meaning of Section 149(b) of the Code. The City shall not enter into any leases or sales or service contracts with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Series 2020 Bonds.

Section 8.02 Arbitrage Bonds.

The City hereby covenants and agrees with the holder(s) of the Series 2020 Bonds that no use of the proceeds of the Series 2020 Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2020 Bonds, would have caused the Series 2020 Bonds to be “arbitrage bonds,” as defined in the Code, and to that end the City hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations so long as the Series 2020 Bonds are Outstanding;
- (b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States Government;
- (c) make such reports of such information at the time and places required by the Code; and
- (d) take such other action as may be required to assure that the tax-exempt status of the Series 2020 Bonds will not be impaired.

Section 8.03 Series 2020 Bonds Not Qualified Tax-Exempt Obligations.

The Series 2020 Bonds are not being designated by the City as “qualified tax-exempt obligations” in accordance with Section 265(b)(3)(B) of the Code.

Section 8.04 Effect.

The provisions of Sections 8.01, 8.02 and 8.03 shall only apply to those Series of the Series 2020 Bonds that are issued on a tax-exempt basis.

* * *

ARTICLE IX - MISCELLANEOUS

Section 9.01. Severability.

If any one or more of the covenants or agreements provided in this 2020 Series Ordinance on the part of the City or any fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2020 Series Ordinance.

Section 9.02. Other Documents.

(a) The City Council hereby authorizes the City Manager and the officials authorized to sign the Series 2020 Bonds to execute and sign all other documents necessary to redeem the Refunded Bonds and effect the purchase of the Series 2020 Bonds.

(b) The Municipal Advisor and bond counsel are hereby authorized to contract with such advisors as it deems necessary or desirable to provide for the details of the Series 2020 Bonds or any Series of the Series 2020 Bonds and to assist in the conduct of the sale of the Series 2020 Bonds.

Section 9.03. Continuing Disclosure Covenant.

In accordance with Section 11-1-85, Code of Law of South Carolina, 1976, as amended (“**Section 11-1-85**”), the City hereby covenants to file with a central repository for availability in the secondary market when requested (1) an annual independent audit, within thirty (30) days of the City’s receipt of the audit; and (2) event specific information, within thirty (30) days of an event adversely affecting more than five percent (5%) of the City’s revenue or tax base. The only remedy available in the event the City fails to comply with this Section 8.03 shall be an action for specific performance. The City reserves the right to modify this Section 8.03 to reflect changes in or any repeal of Section 11-1-85 without the consent of the Holder of the Series 2020 Bonds.

The only remedy for failure by the City to comply with the covenants set forth in this Section shall be an action for specific performance of such covenants; and failure to comply with such covenants shall not constitute a default or an “Event of Default” under the Bond Ordinance or this 2020 Series Ordinance. The Trustee shall have no responsibility to monitor the City’s compliance with such covenants. The Holder of the Series 2020 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section 9.03.

Section 9.04. Table of Contents and Section Headings Not Controlling.

The Table of Contents and the Headings of the several Articles and Sections of this 2020 Series Ordinance have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this 2020 Series Ordinance.

Section 9.05. Ordinance to Constitute Contract.

In consideration of the purchase and acceptance of the Series 2020 Bonds by those who shall purchase and hold the same from time to time, the provisions of this 2020 Series Ordinance shall be deemed to be and shall constitute a contract between the City and the Holder from time to time of the Series 2020 Bonds, and such provisions are covenants and agreements with such Holder which the City hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed on behalf of the City shall be for the benefit, protection and security of the Holder of the Series 2020 Bonds.

Section 9.06 City Manager; Prior Action.

All provisions herein delegating any authority to the City Manager are ratified and approved by the City Council. All prior actions of the City Manager in furtherance of the purposes of this 2020 Series Ordinance (including, but not limited to, any negotiated sale of the Series 2020 Bonds or any solicitation of bids under the provisions of Article VI hereof) are hereby approved, ratified and confirmed.

* * *

DONE, RATIFIED AND ENACTED this 22d day of April, 2020.

(SEAL)

Elise Partin, Mayor

ATTEST:

Mendy C. Corder, Municipal Clerk

First Reading: April 7, 2020
Second Reading and Enactment: April 22, 2020

Approved as to form: _____
Danny C. Crowe, City Attorney