



**AGENDA
BOARD OF TRUSTEES
CENTER FOR ADVANCED TECHNICAL STUDIES
JUNE 9, 2014**

1. Call to order at 5:00 p.m.
2. Enter executive session to consider the following:
 - a. Selected employment items (Exhibit A)
 - b. Contractual matter: regarding sale of property
 - c. Contractual matters: regarding construction
3. Welcoming remarks at 7 p.m.
4. Invocation – Jondy Loveless
5. Pledge of Allegiance – Joshua Smith, a Dutch Fork High School student
6. School Board Spotlight
7. Welcome and brief overview of the Center for Advanced Technical Studies by Dr. James Couch, Director
8. Approval of the agenda
9. Approval of the minutes of the May 19, 2014 board meeting
10. Superintendent's report
 - a. Office of Design and Construction
 1. Monthly Update (Exhibit B)
 - b. Office of Instruction
 1. Report: Individual Graduation Plan (IGP) Process
11. Public participation*

ACTION AGENDA

12. Items considered in executive session
13. First reading of the proposed 2014-2015 general fund budget (Exhibit C)
14. Proposed resolution for the capital budget (Exhibit D)

DISCUSSION AGENDA

15. Adjourn by 9:30 p.m. **
**Any items to be submitted by board members for the record must be turned in within 15 minutes of the adjournment.

FOR YOUR INFORMATION

16. The next regular scheduled board meeting will be June 23 at the Center for Advanced Technical Studies.

*The Board welcomes and encourages public participation. We respectfully ask that you adhere to the procedures and the decorum provided in board policy BEDH "Public Participation at Meetings". Your comments should be limited to three minutes. Questions asked during public participation and placed in writing will receive a written response in a timely manner.



Minutes/May 19, 2014

The Board of Trustees of School District Five of Lexington and Richland Counties met at Chapin Middle School's Cafeteria with the following members present:

Ms. Beth Watson, Chairman
Mr. Robert Gantt, Vice Chairman
Mrs. Ellen Baumgardner, Secretary
Mrs. Jondy Loveless
Mr. Jim Turner
Mr. Ed White
Dr. Stephen Hefner, District Superintendent

The following staff were in attendance:

Dr. Angela Bain, Chief Human Resources Officer
Mr. Mark Bounds, Chief Information Officer
Mr. Michael Harris, Chief Student Services Officer
Dr. Christina Melton, Chief Instructional Officer
Mr. Keith McAlister, Director of Design and Construction
Mr. Len Richardson, Chief Finance Officer

Chairman Beth Watson called the meeting to order and gave welcoming remarks.

The Invocation was given by Ed White. The Pledge of Allegiance was led by Steven Wise, student council president at Chapin Middle School.

The Board Members conducted the School Board Spotlight.

A welcome and brief overview of Chapin Middle School was given by Anna Miller, principal.

During the superintendent's report, Len Richardson presented the monthly financial reports (April 2014) (Exhibit B); and Keith McAlister presented the monthly update (Exhibit C).

During the public participation, Michelle Estridge and James Burns spoke regarding Chapin's athletic facilities; Katie Austin, April Sampson and John Chiles spoke regarding Dutch Fork High School's volleyball; and Kim Murphy spoke regarding a tax increase.

Dr. Christina Melton gave a presentation on next step: AdvancED Reaccreditation.

Mr. Len Richardson presented the 2014-2015 general fund budget for discussion.

A = Absent
AB = Abstain
N = No
X = Yes
R = Recuse

SCHOOL DISTRICT FIVE
OF
LEXINGTON AND RICHLAND COUNTIES

Meeting of May 19, 2014

	B A U M G A R D N E R	G A N T T	L O V E L E S S		T U R N E R	W A T S O N	W H I T E
1. M. Loveless S. Turner Enter executive session to consider the following: a) selected employment items (Exhibit A)	X	A	X		X	X	A
2. M. Gantt S. White Approve the agenda	X	X	X		X	X	X
3. M. Turner S. Baumgardner Approve the minutes of the May 5, 2014 board meeting	X	X	X		X	X	X
4. M. Gantt S. White Approve the selected employment items (Exhibit A)	X	X	X		X	X	X
5. M. Baumgardner S. Loveless Approve the proposed textbook adoption (Exhibit D)	X	X	X		X	X	X
6. M. Baumgardner S. Loveless Adjourn at 9 p.m.	X	X	X		X	X	X

A = Absent
AB = Abstain
N = No
X = Yes
R = Recuse



MEMORANDUM

June 9, 2014

To: Members of the Board of Trustees

From: Keith McAlister 
Director, New Design and Construction

Re: Monthly Update

ADMINISTRATION CONSIDERATION

Administration provides information in reference to the monthly update for New Design & Construction.

RECOMMENDATION

Information is received for review.

ATTACHMENT

Exhibit



District Five of Lexington & Richland Counties Construction Update June 9, 2014

Chapin High School

Project Manager:	Paul Moscati
Completion:	December 2014
Architectural Firm:	Stevens & Wilkinson
Contractor:	China Construction America of S.C., Inc.
Construction Budget (Incl. Contingency):	\$48,855,188.00
Committed Construction Cost:	\$46,546,719.00
Capital Renewal Incorporated in Project:	\$5,264,000.00

Project Description:

Construct a new classroom addition and bring the student capacity to 1,700 students. Construct new gymnasium with stage. Expand the cafeteria and media center. Site upgrades to include new practice fields and an end zone athletic facility. Improve parking and traffic flow.

Status:

- Light installation has started at the new gym lobby. The final storefront is being installed in this area also.
- Interior finishes are being installed at the new gymnasium. The upper bleachers are being installed.
- MEP rough-in is in progress in the new gymnasium area.
- Interior finishes are being installed at the locker rooms and restrooms in the new gymnasium.
- MEP rough in continues at what will become the new kitchen. Slab on grade will be placed the week of June 2nd.
- Windows and doors are being installed at area "G". The HVAC rooftop units have been set.
- Parking Lot 3 (Student Parking), behind the new gymnasium, is being installed.

Achievements/Key Issues:

- The capital renewal accomplished as part of this project includes: clock system, fire alarm, hardware systems, HVAC, PA/intercom, roofing and interior finishes.
- A representative from the Brick Institute has been on site and has provided a report. The final report has been sent to the District.
- The cafeteria connector passed OSF inspection.

Schedule/Budget Issues:

- Project Team is working to make up time wherever possible.

Chapin High School



Site Aerial along Columbia Avenue



Site Aerial towards Columbia Avenue

Chapin High School



New Gym Lobby



New Gymnasium

Chapin High School



New Kitchen Slab



New Student Parking

Dutch Fork High School

Project Manager:	Joe Huggins
Completion:	Summer 2014
Architectural Firm:	Stevens & Wilkinson
Contractor:	Contract Construction
Construction Budget (Incl. Contingency):	\$15,347,815.00
Committed Const. Cost:	\$14,965,809.00

Project Description:

Construct a new health science building and a new visitor's concessions/restroom facility. Construct a new middle/high connector road to improve traffic flow along with additional parking. Various other athletic improvements.

Status:

- The Health Science building is substantially complete and passed OSF Inspection. The building is being occupied by staff and students.
- Landscaping and irrigation is underway around the Health Science Building. The soccer field is reaching final grade and irrigation will be installed soon.
- Demolition in the existing building is 90% complete.
- MEP rough in continues in the existing building.
- New metal wall framing is 60% complete.
- New masonry walls and patches are 60% complete.

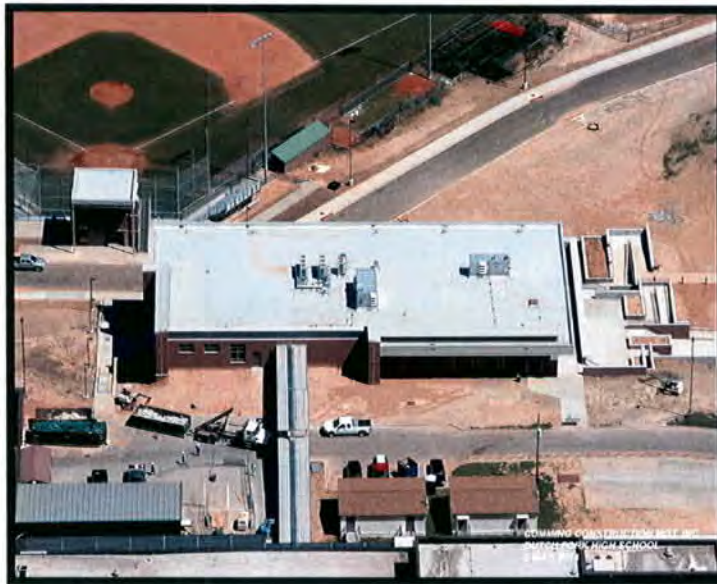
Achievements/Key Issues:

- The Health Science Building passed OSF inspection.

Schedule/Budget Issues:

- Project was delayed due to permitting.

Dutch Fork High School



Health Science Aerial



DFHS Aerial towards DFMS

Dutch Fork High School



New Door Being Installed



MEP Rough In

Dutch Fork High School



New Walls Being Installed



Masonry Infill

Irmo High School

Project Manager:	Joe Huggins
Completion:	August 2014
Architectural Firm:	Stevens & Wilkinson
Contractor:	China Construction America of S.C., Inc.
Total Construction Budget (Incl. Contingency):	\$24,639,240.00
Committed Const. Cost (Incl. Site):	\$24,102,252.00

Project Description:

Construct a new 600 seat auditorium and a new field house. Interior renovations to allow for removal of portable classrooms.

Status:

- MEP rough-in continues at the new Auditorium
- Metal panel installation continues at the new Auditorium.
- Elevator installation in progress at the new Auditorium
- Renovation has started in the CATE Building in rooms that are available. Balance will begin once school is out.
- Front canopy and beautification will begin once school is out.

Achievements/Key Issues:

- The OSF Final Inspections at the Field House and Engineering/ROTC have been passed.

Schedule/Budget Issues:

- Project was delayed due to unforeseen site conditions. This includes a large debris pile that was buried at the Auditorium area.
- Project Team is working to make up time wherever possible.

Irmo High School



New Auditorium towards St.
Andrews



New Auditorium away from St.
Andrews

Irmo High School



New Auditorium Metal Panels



Front of New Auditorium

Irmo High School



Picture from Stage



Renovation at CATE

New Middle School

Project Manager:	Chris Whitley
Completion:	August 2015
Architectural Firm:	Quakenbush Architects
Site Contractor:	L-J, Inc.
Building Contractor:	Edcon, Inc.
Construction Budget (Incl. Contingency):	\$22,073,458.00
Committed Const. Cost:	\$20,755,000.00

Project Description:

Construct a new middle school adjacent to Spring Hill High School to include building and site work.

Status:

- The building pad is complete and has been turned over to the building contractor.
- Storm drainage is approximately 85% complete and water installation is nearing completion.
- Site Water and Sewer lines are complete and being tested.
- Building layout is complete and footings are being placed. 90% of footing are installed at kitchen, cafeteria, mechanical and electrical rooms.
- Electrical and plumbing rough ins are underway.
- Masonry crews will be onsite in the next two weeks to begin subgrade block.

Achievements/Key Issues:

- The site package has been bid and awarded within the original budget amount.
- The building package has been bid and is within the original budget amount. The Notice to Proceed was issued on April 1st.

Schedule/Budget Issues:

- None

New Middle School



New Middle School Site towards
Broad River Road



New Middle School Site from
Spring Hill High School

New Middle School



Footing Installation & Under
Slab Rough In



Footing Installation & Under
Slab Rough In



MEMORANDUM

To: Members of the Board of Trustees
Stephen Hefner, Ed.D., Superintendent

From: A. Len Richardson
Chief Finance Officer 

Date: June 5, 2014

Re: Board Meeting – June 9, 2014
First Reading - Proposed 2014-2015 General Fund Budget

The proposed FY 2014-2015 General Fund Budget will be presented for the first reading.

RECOMMENDATION:

The administration recommends first reading approval of FY 2014-2015 General Fund Budget be given by the Board.

ALR:tl

Attachment



MEMORANDUM

To: Members of the Board of Trustees

Through: Stephen Hefner, Ed.D.
Superintendent

From: A. Len Richardson 
Chief Financial Officer

Date: June 4, 2014

Re: Approval of Resolution for Capital Budget

Attached is the Resolution authorizing the issuance and sale of a not exceeding \$12,000,000 general obligation bond, Series 2014, of School District No. 5 of Lexington County and Richland County, South Carolina, authorizing the South Carolina Association of Governmental Organizations (SCAGO) to facilitate the sale of the bonds under its general obligation debt program; prescribing the terms and conditions under which the bonds may be issued; authorizing the chair or vice chair of the Board of Trustees or the district superintendent of the school district to determine certain matters relating to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto.

RECOMMENDATION:

The administration recommends approval of the Resolution.

ALR:tl

Attachment

SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

A RESOLUTION

AUTHORIZING THE ISSUANCE AND SALE OF A NOT EXCEEDING \$12,000,000 GENERAL OBLIGATION BOND, SERIES 2014, OF SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA, AUTHORIZING THE SOUTH CAROLINA ASSOCIATION OF GOVERNMENTAL ORGANIZATIONS TO FACILITATE THE SALE OF THE BONDS UNDER ITS GENERAL OBLIGATION DEBT PROGRAM; PRESCRIBING THE TERMS AND CONDITIONS UNDER WHICH THE BONDS MAY BE ISSUED; AUTHORIZING THE CHAIR OR VICE CHAIR OF THE BOARD OF TRUSTEES OR THE DISTRICT SUPERINTENDENT OF THE SCHOOL DISTRICT TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Adopted: June 9, 2014

BE IT RESOLVED, BY THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall have, for all purposes of this Resolution, the meanings hereinafter specified, with the definitions equally applicable to both the singular and plural forms and vice versa. The term:

“Board” shall mean the Board of Trustees of School District No. 5 of Lexington County and Richland County, South Carolina.

“Bondholder” or the term “Holder” or any similar term shall mean the registered owner of the Bond.

“Bond” shall mean the principal amount of bonds authorized and issued pursuant to this Resolution.

“Bond Act” shall mean Title 59, Chapter 71, Article 1, and Section 11-27-50 of the Code of Laws of South Carolina, 1976, as amended.

“Books of Registry” shall mean the registration books maintained by the Registrar in accordance with Section 6 hereof.

“Interest Payment Date” shall mean March 1, 2015, or such other date as the District Superintendent determines.

“IRC” shall mean the Internal Revenue Code of 1986, as amended.

“Paying Agent” shall mean Wells Fargo Bank, N.A., in Atlanta, Georgia, unless otherwise determined by the Superintendent.

“Registrar” shall mean Wells Fargo Bank, N.A., in Atlanta, Georgia, unless otherwise determined by the Superintendent.

“Resolution” shall mean this Resolution.

“SCAGO” shall mean the South Carolina Association of Governmental Organizations.

“SCAGO Certificates” shall mean certificates of participation evidencing undivided proportionate interests in the GO Debt of the participating school districts issued by SCAGO pursuant to the SCAGO Trust Agreement.

“SCAGO Trust Agreement” shall mean the Trust Agreement by and between the South Carolina Association of Governmental Organizations and Wells Fargo Bank, N.A., or such other bank named therein, as trustee, dated as of a date to be determined by the parties thereto pursuant to which the SCAGO Certificates will be issued.

“S.C. Code” shall mean the Code of Laws of South Carolina, 1976, as amended.

“School District” shall mean School District No. 5 of Lexington County and Richland County, South Carolina.

"School District Representative" shall mean the person or persons at the time designated to act on behalf of the School District in matters relating to the Bond as evidenced by a written certificate furnished to SCAGO and the trustee thereunder containing the specimen signature of such person or persons and signed on behalf of the School District by the Chair or Vice Chair of the Board or the District Superintendent. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the School District Representative.

"State" shall mean the State of South Carolina.

"Trustee" shall mean Wells Fargo Bank, N.A., or such other bank or trust company named by SCAGO.

SECTION 2. Findings and Determinations. The Board of the School District hereby finds and determines:

(a) The School District was organized by action of the Lexington County Board of Education in 1951 and the Richland County Board of Education in 1952. The School District is also known as Richland-Lexington School District No. 5. The Board is the governing body of the School District.

(b) Article X, Section 15, of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that after November 30, 1982, the governing body of any school district may incur general obligation debt in an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such school district and upon such terms and conditions as the General Assembly may prescribe.

(c) The Bond Act provides that the board of trustees of any school district may issue general obligation bonds of such school district for the purpose of defraying the cost of "capital improvements" (as defined therein) to any amount not exceeding the constitutional debt limitation applicable to such school district. The Bond Act requires the county board of education wherein the school district is located, if there is such, to approve the issuance of such bonds.

(d) Section 11-27-50(2) of the Bond Act further provides that if an election be prescribed by the provisions of the Bond Act but is not required by the provisions of Article X of the Constitution, then in every such instance, no election need be held and the remaining provisions of the Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions. Section 11-27-90 of the S.C. Code further provides that any school district of the State may issue bonds in fully registered form.

(e) The School District's Financial Advisor, Southwest Securities, Inc. ("SWS") has advised the School District that SCAGO has been formed to facilitate one or more pooled borrowing programs including a pooled general obligation debt program (the "SCAGO GO Program") for school districts in the State. Each participating school district in the SCAGO GO Program will have its general obligation debt ("GO Debt") sold together with GO Debt issued by the other participating school districts in order to achieve a lower net interest cost and lower issuance costs associated with its GO Debt. Pursuant to the terms of the SCAGO GO Program, SCAGO will cause the execution and delivery of the SCAGO Certificates pursuant to the SCAGO Trust Agreement.

(f) The assessed value of all taxable property in the School District, for purposes of computation of the School District's constitutional debt limit, in Richland County as of June 30, 2013, is \$183,508,282 and in Lexington County as of June 30, 2013, is \$292,151,320 for a total of \$475,659,602. Eight percent (8%) of such sum is \$38,052,768. As of the date hereof, the School District has no outstanding general obligation debt subject to the limitation imposed by Article X, Section 14(6) of the Constitution. Thus, the School District may incur \$38,052,768 of general obligation debt within its applicable constitutional debt limitation.

(g) Pursuant to a Resolution adopted by the Board of the School District on August 13, 2012, the School District has adopted Written Procedures related to Tax-Exempt Debt.

(h) It is in the best interest of the School District to participate in the SCAGO GO Program and to provide for the issuance and sale of the Bond of the School District pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina in the principal amount of not to exceed \$12,000,000 for the purposes of providing funds to be applied for any of the following purposes: (i) to fund capital improvements including but not limited to renovation and remediation of school facilities; (ii) any other purposes permitted by the Bond Act; and (iii) paying costs of issuance of the Bond.

SECTION 3. Authorization and Details of Bond. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued a not exceeding \$12,000,000 general obligation bond (the "Bond") of the School District to obtain funds for any of the purposes mentioned in Section 2(h) above, including any financial and legal fees relating thereto and other incidental costs of issuing the Bond.

The Bond shall be issued as fully-registered Bond; shall be dated as of the date on which the Bond is delivered to the initial purchaser thereof or such other date as the District Superintendent determines; shall be in denominations of \$1,000 or any integral multiple thereof not exceeding the principal amount of the Bond maturing in each year unless issued as a single Bond in the entire principal amount of the issue; shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from their date payable on each Interest Payment Date at such rate or rates as may be determined at the time of the sale thereof by the District Superintendent; and shall mature on March 1, 2015 and in the respective principal amount as determined by the District Superintendent.

Both the principal of and interest on the Bond shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. Unless otherwise determined by the District Superintendent, Wells Fargo Bank, N.A. in Atlanta, Georgia, is hereby designated as the Registrar and Paying Agent for the Bond.

SECTION 4. Redemption Provisions. The Bond shall not be subject to redemption prior to maturity.

SECTION 5. Authority to Determine Certain Matters. Without further authorization, the Board hereby delegates to the Superintendent the authority to: (a) determine the par amount of the Bond; (b) determine the original issue date of the Bond; (c) determine the Interest Payment Date and principal payment date if different from that set forth herein; (d) designate a Paying Agent and Registrar for the Bond if different from that set forth herein; (e) determine the date and time of sale of the Bond; (f) receive bids on behalf of the School District and award the sale of the Bond in accordance with the terms of the Notice of Sale for the Bond; and (g) execute all other agreements, certificates and documents as may be necessary or required in connection with the issuance the Bond.

SECTION 6. Registration, Transfer and Exchange of Bond. The School District shall cause the Books of Registry to be kept at the offices of the Registrar for the registration and transfer of the Bond. Upon presentation at its office for such purpose, the Registrar shall register or transfer, or cause to be registered or transferred, on such Books of Registry, the Bond under such reasonable regulations as the Registrar may prescribe.

The Bond shall be transferable only upon the Books of Registry of the School District, which shall be kept for such purpose at the principal office of the Registrar, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond, the Registrar on behalf of the School District shall issue in the name of the transferee a new fully-registered Bond of the same aggregate principal amount, interest rate and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar.

The School District, the Registrar and the Paying Agent may deem or treat the person in whose name any fully-registered Bond shall be registered upon the Books of Registry as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes; and all such payments so made to any such registered owner or upon his order and shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the School District nor the Registrar or the Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bond is exercised, the School District shall execute and the Registrar shall authenticate and deliver Bond in accordance with the provisions of this Resolution. Neither the School District nor the Registrar or the Paying Agent shall be obliged to make any such transfer of Bond during the fifteen (15) days preceding the maturity date on such Bond.

SECTION 7. Form of Bond. The Bond shall be substantially in the form attached hereto as Exhibit A and incorporated herein by reference, subject to such changes, additions or deletions as may be approved by the Chair or Vice Chair of the Board or the District Superintendent.

SECTION 8. Execution and Delivery of the Bond. The Bond shall be executed in the name of the School District with the manual or facsimile signature of the Chair or Vice Chair of the Board attested by the manual or facsimile signature of the Secretary of the Board under the seal of the School District which shall be impressed, imprinted or reproduced thereon. The Bond shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. The Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

The School District Representatives are further authorized and directed to deliver the Bond upon the terms and conditions provided herein and under the SCAGO GO Program, to receive or cause to be received the proceeds of the sale of the Bond, to execute and deliver such certificates and other closing documents and take such other action as may be necessary or appropriate in order to effectuate the proper issuance, sale and delivery of the Bond.

Each participating school district in the SCAGO GO Program will be the issuer of its GO Debt and undivided proportionate interests therein will be evidenced by the SCAGO Certificates executed and delivered under the SCAGO Trust Agreement. The Board approves and consents to the assignment and pledge of the Bond under the provisions of the SCAGO Trust Agreement and approves the execution and delivery by trustee of the SCAGO Certificates upon payment of the purchase price thereof, all as contemplated by the SCAGO GO Program.

SECTION 9. Sale of Bond; Form of Notice of Sale. The Bond shall be sold at public sale, after advertisement of the sale in a newspaper having general circulation in the State or, as determined by the District Superintendent, upon advice of SWS, in a financial publication published in the City of New York or, in the discretion of the District Superintendent, in both publications. As authorized by Section 11-27-50(7)(b) of the S.C. Code the advertisement must appear not less than seven (7) days prior to the date set as a sale date for such sale.

The Notice of Sale shall be in substantially the form set forth as Exhibit B.

SECTION 10. Deposit and Use of Proceeds. (a) Upon the purchase and delivery of the GO Debt, the proceeds shall be deposited with the Lexington County Treasurer (the "County Treasurer") in a special fund to the credit of the School District and may be used to make the Acquisition Payments and to pay the costs of issuance of the Bond. The portion of the proceeds of the Bond to be applied to costs of issuance may be paid as determined by a School District Representative.

(b) The proceeds derived from the sale of the GO Debt shall be deposited with the County Treasurer in a special fund to the credit of the School District and shall be applied solely to the purposes for which the GO Debt has been issued, including payment of costs of issuance or at the direction of the County Treasurer, the proceeds derived from the sale of the GO Debt, less costs of issuance, shall be deposited into an acquisition fund in the name of School District No. 5 of Lexington County and Richland County, South Carolina to be known as the "School District No. 5 of Lexington County and Richland County, South Carolina, General Obligation Bond, Series 2014, Acquisition Fund" (the "Acquisition Fund"), which shall be established under the SCAGO Trust Agreement. The School District may withdraw amounts from the Acquisition Fund on the date of delivery of the GO Debt and thereafter on any business day. "Business Day" shall mean any day except Saturday, Sunday or a holiday.

(c) The costs of issuance of the Bonds shall, at the direction of the County Treasurer, be deposited in the Costs of Issuance Account of the Expense Fund created pursuant to the SCAGO Trust Agreement or may be paid as determined by a School District Representative. Any remaining proceeds shall be applied for any purposes authorized by the Bond Act.

(d) Disbursements from the Acquisition Fund and the Expense Fund (as defined in the SCAGO Trust Agreement) shall be made upon the written order of a School District Representative or the County Treasurer, as designated on the appropriate form solely for the purpose for which the GO Debt was issued.

SECTION 11. Security. The full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged for the payment of the principal and interest on the Bond as they respectively mature and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Auditors of Lexington County and Richland County (the "County Auditors") and collected by the County Treasurer and the Richland County Treasurer in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of the Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

The County Auditors and County Treasurers shall be notified as to the delivery of and payment for the Bond and are hereby directed to levy and collect, respectively, on all taxable property in the School District, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of the Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

SECTION 12. Sinking Fund; Payment of Bond. The School District covenants that it will deposit or cause to be deposited into the applicable sinking fund, and the County Treasurers are hereby authorized and directed to deposit or cause to be deposited into such sinking fund, payments relating to the Bond on or before their respective maturity dates. The County Treasurers, on behalf of the School District and at the written direction of a School District Representative, shall transfer or cause to be transferred from time to time any moneys then on deposit in the sinking fund to the trustee under the SCAGO Trust Agreement.

SECTION 13. Federal Tax Covenants. The School District hereby covenants and agrees with the holders of the Bond that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bond to become includable in the gross income of the bondholders thereof for federal income tax purposes pursuant to the provisions of the IRC and the regulations promulgated thereunder in effect on the date of original issuance of the Bond and that no use of the proceeds of the Bond shall be made which, if such use had been reasonably expected on the date of issue of the Bond would have caused the Bond to be an "arbitrage bond" as defined in the IRC and to that end the School District shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the IRC so long as the Bond is 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 IRC relating to required arbitrage rebate of certain amounts to the United States; and
- (c) make such reports of information at the time and places required by the IRC.

SECTION 14. Exemption from State Taxes. Both the principal of and interest on the Bond shall in accordance with the provisions of Section 12-2-50 of the S.C. Code be exempt from all State, county, municipal, school district, and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 15. Events of Default. The School District agrees that each of the following events may be considered an "Event of Default" under the SCAGO Trust Agreement:

- (a) If default shall be made in the due and punctual payment of principal of or any interest on the Bond, including failure to make when due a sinking fund payment under Section 12 of this Resolution; or
- (b) If the School District shall default in the performance of any covenant, agreement or condition on its part to be performed under the Bond or this Resolution other than a default in payment, and such default shall continue for a period of 30 days after written notice thereof is received by the School District.

SECTION 16. Remedies. The School District agrees that each of the following may be included as remedy for an "Event of Default" under the SCAGO Trust Agreement:

- (a) In any case of an Event of Default, the trustee under the SCAGO Trust Agreement may take such action or actions for the enforcement of the rights of the owners as due diligence, prudence and care would require and to pursue the same with like diligence, prudence and care, including

commencement of an action for mandamus or other appropriate action to require the School District to comply with the terms of this Resolution.

(b) If the School District shall fail or refuse to make any required deposit on the relevant sinking fund payment date in order to make the transfer to its applicable Sinking Fund Account, the trustee under the SCAGO Trust Agreement, shall take such action as is necessary to invoke the provisions of Section 59-71-155 of the S.C. Code regarding transfers from the State general fund to make payments on bonded indebtedness of South Carolina school districts; and upon being indemnified against cost and expense, exercise any remedy at law or in equity for the benefit of the owners of the SCAGO Certificates, and shall disburse all funds so collected to the holders of the SCAGO Certificates or assignee of the Bond.

SECTION 17. SCAGO. The School District hereby authorizes SCAGO to facilitate the sale of the Bond together with other GO Debt issued by other participating school districts in the SCAGO GO Program as determined by SCAGO.

SECTION 18. Acknowledgement of SCAGO Certificates; Registered Owner; Limitation of Liability. The School District, by participating in the SCAGO GO Program, recognizes the rights of the owners of the SCAGO Certificates, acting directly or through the trustee under the SCAGO Trust Agreement, to enforce the obligations and covenants contained in the Bond and this Resolution; provided that in no event shall the School District be liable for any obligations, covenants or damages except those which arise out of the Bond authorized by this Resolution, and, in particular, the School District shall not be liable for any obligations, liabilities, acts or omissions of SCAGO or any other participating school district in the SCAGO GO Program.

SECTION 19. Discharge of Resolution. If the School District shall pay or cause to be paid, or there shall otherwise be paid, to the owner or owners of a SCAGO Certificate, the total principal and interest due or to become due thereon through maturity (as determined in accordance with the Trust Agreement), in the manner stipulated therein and in this Resolution, then the pledge of the full faith, credit and taxing power of the School District under this Resolution, and all covenants, agreements and other obligations of the School District hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied with respect to the Bond for which such payment was made.

SECTION 20. Filings with Central Repository. In compliance with Section 11-1-85 of the S.C. Code, the School District covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the School District within thirty (30) days of the School District's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the School District, adversely affects more than five percent (5%) of the School District's revenue or its tax base.

SECTION 21. Declaration of Intent to Reimburse Certain Expenditures. This Resolution shall constitute the School District's declaration of official intent pursuant to Regulation §1.150-2 of the IRC to reimburse the School District from a portion of the proceeds of the Bond for expenditures it anticipates incurring (the "Expenditures") with respect to the projects set forth in Section 2(g) hereof prior to the issuance of the Bond. The Expenditures which are reimbursed are limited to Expenditures which are: (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Regulation §1.150-2 of the IRC) under general federal income tax principals; or (2) certain de minimis or preliminary Expenditures satisfying the requirements of Regulation §1.150-2(f) of the IRC. The source of funds for the Expenditures with respect to these projects will be the School District's reserve funds. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a)

the date on which the Expenditures were paid; or (b) the date such projects were placed in service, but in no event more than three (3) years after the original Expenditures.

SECTION 22. Authorization. The Chair of the Board, the Vice Chair of the Board, the Secretary of the Board, the District Superintendent and the Chief Financial Officer of the School District, are fully empowered and authorized to take such further action and to execute and deliver such additional documents and certificates as may be necessary to effect the issuance of the Bond. The District Superintendent is hereby authorized to retain the McNair Law Firm, P.A., as bond counsel, and Southwest Securities, Inc., as Financial Advisor, with respect to the issuance of the Bond. The Superintendent is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

SECTION 23. Repeal of Conflicting Resolutions. All rules, policies, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bond is, to the extent of such conflict, hereby repealed, and this Resolution shall take effect and be in full force from and after its adoption.

[Signature Page Follows]

Adopted this 9th day of June, 2014.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

Chair, Board of Trustees

(SEAL)

ATTEST:

Secretary, Board of Trustees

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY
GENERAL OBLIGATION BOND, SERIES _____

No. R-1

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE CUSIP

PRINCIPAL AMOUNT:

REGISTERED HOLDER: South Carolina Association of Governmental Organizations

KNOW ALL MEN BY THESE PRESENTS, that the School District identified above (the "School District"), is justly indebted and, for value received, hereby promises to pay to the registered holder named above, or registered assigns, the principal amount shown above on the maturity date shown above and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until this Bond matures. Interest on this Bond is payable at maturity, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the School District maintained by the registrar, presently Wells Fargo Bank, N.A. (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month next preceding each Payment Date. The principal and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully registered Bond shall be paid by check, draft or transfer of funds.

This Bond shall not be entitled to any benefit under the Resolution of the School District authorizing this Bond (the "Resolution"), nor become valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

For the payment of the principal and interest on this Bond as they respectively mature and for the creation of such sinking fund as may be necessary therefor the full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged, and there shall be levied annually by the Auditors of the Counties in which the School District is located (the "Counties") and collected by the Treasurers of the Counties, in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

This Bond is issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended; Title 59, Chapter 71, Article 1, Code of Laws of South Carolina, 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina, 1976, as amended; and the Resolution.

This Bond is not subject to redemption prior to maturity.

Except for the initial assignment of this Bond to the Trustee under the SCAGO Trust Agreement (as defined in the Resolution), this Bond is transferable, only upon the books of the School District kept

for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully registered Bond of the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution. The School District, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, school district and other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the School District does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and, that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, the aforesaid School District has caused this Bond to be signed with the manual or facsimile signature of the Chair of the Board of Trustees of the School District, attested by the manual or facsimile signature of the Secretary of the Board of Trustees of the School District and the seal of the School District impressed, imprinted or reproduced hereon.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

Chair, Board of Trustees

(SEAL)

ATTEST:

Secretary, Board of Trustees

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Bond is the bond described in the within mentioned Resolution of School District No. 5 of Lexington County and Richland County, South Carolina.

WELLS FARGO BANK, N.A., as Registrar

By: _____
Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN NET - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to

JT TEN - as joint tenants with
right of survivorship
and not as tenants in
common

Minors Act _____
(state)

Additional abbreviations may also be used though not in above list.

EXHIBIT B

FORM OF SUMMARY NOTICE OF SALE

NOTICE IS HEREBY GIVEN that each of the following school districts (the "School Districts") shall offer collectively for public sale its general obligation bond (collectively, the "Bonds") in the amounts indicated on _____, _____, 2014.

[PRINCIPAL AMOUNTS AND NAMES OF PARTICIPATING SCHOOL DISTRICTS]

The Bonds will be collectively sold as the South Carolina Association of Governmental Organizations Certificates of Participation, Series 2014__ (Evidencing Undivided Proportionate Interests in General Obligation Debt of Certain South Carolina School Districts).

Sale Date:	August ____, 2014
Sale Time:	11:00 a.m., South Carolina time
Bonds Dated:	September ____, 2014
Interest Payment:	March 2, 2015
Maturity:	March 2, 2015
Redemption provisions:	The Bonds are not subject to redemption.
Book-Entry-Only:	The Bonds will be book-entry-only.
Legal Opinion:	McNair Law Firm, P.A., Columbia, South Carolina
Financial Advisor:	Southwest Securities, Inc., Columbia, South Carolina

Proposals will be received by Southwest Securities, Inc. on behalf of the South Carolina Association of Governmental Organizations and the School Districts. The Bonds will be issued in book-entry only form in the denomination of \$5,000 or any integral multiple thereof. A copy of the Preliminary Offering Circular in deemed final form and the Official Terms and Conditions of Sale are available via the internet at <https://officialstatements.swst.com/>.

For additional information, please contact the School Districts' Bond Counsel, Francenia B. Heizer, Esquire, McNair Law Firm, P.A., telephone (803) 799-9800; e-mail: fheizer@mcnair.net or the School Districts' financial advisor, Brian G. Nurick, Southwest Securities, Inc., telephone: (859) 410-2602; e-mail: brian.nurick@swst.com.

*Preliminary, subject to change.