

The Saraland City Council met in regular session on June 9, 2022 at the Saraland Municipal Annex. The meeting was called to order at 6:30 p.m. by Council President McDonald. Roll call was as follows:

Present: Council President Joe McDonald
Councilmember Newton Cromer
Councilmember Wayne Biggs
Councilmember Natalie Moye
Absent: Councilmember Veronica Hudson

Attorney, Andy Rutens was present.

Councilmember Biggs opened the meeting with prayer.

REPORT OF OFFICERS

Motion was made by Councilmember Cromer, seconded by Councilmember Moye to approve invoice from Neel-Schaffer for the TAP Sidewalk Project for \$14, 259.44.

Motion carried.

APPROVAL OF INVOICES

Motion was made by Councilmember Moye, seconded by Councilmember Cromer to approve the following invoices:

General Fund

- | | |
|---|------------|
| 1. CivicPlus, LLC (formerly MuniCode) – Supplement update | \$6,064.37 |
| 2. R. Jeffrey Perloff, PC – May 2022 Statement | \$2,031.50 |

Motion carried.

ORDERS, RESOLUTIONS, ORDINANCES & OTHER BUSINESS

AFTER PROPER PUBLIC NOTICES HAVING BEEN DULY GIVEN, A PUBLIC HEARING WAS HELD TO CONSIDER THE annexation of Parcel number R021801010000002.019, 10255 Celeste Road, filed by property owners Thomas and Lauren Wheat.

Council President McDonald declared the public hearing open.

There was no one in favor of or in opposition to the application.

Council President McDonald declared the public hearing closed.

Councilmember Biggs introduced an ordinance approving the annexation of Parcel number R021801010000002.019, 10255 Celeste Road, filed by property owners Thomas and Lauren Wheat.

ORDINANCE 1222

AN ORDINANCE ANNEXING PROPERTY TO THE CITY OF SARALAND UNDER CODE SECTION 11-42-21

WHEREAS, the owner of the below-described territory has filed a written petition with the City Clerk requesting that the territory be annexed to the City of Saraland; and

WHEREAS, the City Council of the City of Saraland is desirous of annexing the said territory to the City of Saraland; and

WHEREAS, the said territory is contiguous to the City's present corporate limits and otherwise meets the requirements of Section 11-42-21, Code of Alabama 1975.

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SARALAND, ALABAMA, THAT THE FOLLOWING DESCRIBED PROPERTY IS HEREBY ANNEXED INTO THE CITY OF SARALAND:

Section 1: The City of Saraland assents to the annexation of the following described property to the City, to-wit:

Parcel number R021801010000002.019, 10255 Celeste Road, petitioned by property owners Thomas and Lauren Wheat, approximately 2.94 acres and as described by the legal description: LOT 1, ELENBURG TWO, ACCORDING TO PLAT THEREOF RECORDED IN MAP BOOK 117, PAGE 74 OF THE RECORDS IN THE OFFICE OF THE JUDGE OF PROBATE, MOBILE COUNTY, ALABAMA

The same is hereby annexed to the corporate limits of the City of Saraland and said property of territory hereby is made a part of the City of Saraland, and is to adopt the zoning R-1.

Section 2: The City Clerk of the City of Saraland shall file the description of the territory annexed by this ordinance in the Office of the Judge of Probate of Mobile County, Alabama

Section 3: This ordinance shall be effective upon its adoption and publication as required by law.

ADOPTED AND APPROVED this the 9th day of June 2022.

Motion was made by Councilmember Cromer, seconded by Councilmember Moyer to suspend the rules to allow for immediate consideration of the proposed ordinance for the annexation of Parcel number R021801010000002.019, 10255 Celeste Road, filed by property owners Thomas and Lauren Wheat.

The following votes were recorded:

Yes: Council President Joe McDonald
Councilmember Newton Cromer
Councilmember Wayne Biggs
Councilmember Natalie Moyer

Motion carried.

Unanimous consent being given to allow for immediate consideration of the proposed ordinance, motion was made by Councilmember Biggs, seconded by Councilmember Moyer to adopt the ordinance for the annexation of Parcel number R021801010000002.019, 10255 Celeste Road, filed by property owners Thomas and Lauren Wheat.

The following votes were recorded:

Yes: Council President Joe McDonald
Councilmember Newton Cromer
Councilmember Wayne Biggs
Councilmember Natalie Moyer

Motion carried.

AFTER PROPER PUBLIC NOTICES HAVING BEEN DULY GIVEN, A PUBLIC HEARING WAS HELD TO CONSIDER THE securing up to \$50,000,000.00 in warrants for a Sportsplex project on Celeste Road.

Council President McDonald declared the public hearing open.

There was no one in favor of or in opposition to the securing up to \$50,000,000.00 in warrants for a Sportsplex project on Celeste Road.

Council President McDonald declared the public hearing closed.

There was no motion made by Council.

Motion was made by Councilmember Biggs, seconded by Councilmember Moye for Second reading of ordinance authorizing the issuance of up to \$50,000,000.00 of General Obligation Economic Development Improvement Warrants, Series 2022A. Motion carried.

ORDINANCE 1223

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO
\$50,000,000 OF GENERAL OBLIGATION ECONOMIC DEVELOPMENT
IMPROVEMENT WARRANTS, SERIES 2022A**

BE IT ORDAINED by the City Council of the City of Saraland, Alabama, as follows:

ARTICLE I

**DEFINITIONS, USE OF WORDS AND
PHRASES, AND FINDINGS BY THE CITY**

Section 1.1 Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations:

“Bank” means Regions Bank, Birmingham, Alabama, in its role as Warrant Registrar and Paying Agent.

“Beneficial Owner” means the owner of a Warrant or portion thereof for federal tax purposes.

“Bond Insurer” means an insurer selected by the City council to provide a policy of insurance for the payment of the Warrants, or any series thereof, if and as approved by the City Council in a supplemental Ordinance duly adopted by the City.

“Business Day” means any day other than a Saturday, Sunday or day on which banking institutions are required or authorized to close in the city in which the designated corporate trust agency office of the Bank is located, or on which the Federal Reserve Bank is closed.

“Capital Improvements” shall have the meaning given that term in Section 1.3(a) hereof, subject to being amended and supplemented as provided in Section 8.2 hereof.

“**City**” means the municipal corporation in the State of Alabama known as the City of Saraland, Alabama, as it now exists, and any political subdivision resulting from any merger or consolidation thereof with any other political subdivision.

“**City Clerk**” means the city clerk of the City, or any person acting in such capacity for purposes of the issuance of the Warrants.

“**Code**” means the Internal Revenue Code of 1986 as amended.

“**Council**” means the governing body of the City as from time to time constituted.

“**Direct Participant**” means securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations which participate in the Securities Depository with respect to the Warrants.

“**Economic Development Amendment**” means the amendment to the Constitution of Alabama proposed by Act No. 2004-94, adopted as the 2004 Regular Session of the Legislature and ratified on November 2, 2004.

“**Government Obligations**” means direct obligations of the United States of America and obligations unconditionally guaranteed by the United States of America.

“**Interest Payment Date**” means, with respect to the Warrants, any February 1 and August 1, prior to payment thereof.

“**Overdue Interest**” means interest due but not paid on the Interest Payment Date on which such interest is required to be paid.

“**Municipal Bond Insurance Policy**” means an Insurance Policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Warrants or any series thereof as provided therein.

“**Record Date**” means, as to any Interest Payment Date, the January 15 or July 15 immediately preceding such Interest Payment Date.

“**Securities Depository**” has the meaning given that term in Section 3.5 hereof.

“**Supplemental Ordinance**” means an ordinance duly adopted by the Council and specifying the particular terms of the Warrants.

“**Treasurer**” shall mean the treasurer or any assistant treasurer of the City.

“**Warrant Authorizing Law**” means Section 2, Chapter 47 of Title 11, Code of Alabama, 1975, as amended.

“**Warrant Fund**” means the special account created pursuant to Section 8.3 hereof.

“**Warrant Holder**” or “**Holder**” means the registered holder, from time to time, of any of the Warrants.

“**Warrants**,” unless otherwise indicated, means up to \$50,000,000 in aggregate principal amount of the City's General Obligation Economic Development Improvement Warrants, Series 2022A, as more particularly described in Article II hereof and issued hereunder.

“**2018 Warrants**” means the City’s General Obligation Warrants, Series 2018, dated November 20, 2018, originally issued in the principal amount of \$10,335,000.

Section 1.2 Use of Words and Phrases. The following provisions shall be applied wherever appropriate herein:

Whenever used herein, any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

"Hereby", "herein", "hereinafter", "hereof", "hereunder" and other equivalent words refer to this Ordinance as a whole and not solely to any particular portion thereof in which any such word is used.

The definitions set forth in Section 1.1 hereof shall be deemed applicable whether the words defined are herein used in the singular or plural.

Section 1.3 Findings of Council. Having made due and proper investigation of the matters hereinafter referred to, the Council hereby finds and determines:

- (a) The City of Saraland, Alabama (the “City”) has determined that it is necessary and in the interest of the public that it construct, install and equip a sports complex to be located at 7365 Celeste Road, Saraland, Alabama 36571 and including, without limitation, baseball/softball fields, soccer fields, an indoor multisport building and possible outside events center for the benefit of citizens of the City and businesses located within or in the areas surrounding the City (the “Capital Improvements”).
- (b) Pursuant to the Warrant Authorizing Law the City is authorized to issue its warrants, in order to finance the Capital Improvements.

- (c) Pursuant to the Economic Development Amendment the City is authorized to grant public funds and things of value in aid of or to any individual, firm, corporation or business entity, public or private, for the purpose of promoting the economic and industrial development of the City and to become indebted and issue bonds, warrants, notes or other obligations to a principal amount not exceeding 50% of the assessed value of taxable property in the City.
- (d) The Capital Improvements will promote the economic and industrial development of the City by enhancing the City as a location for softball, baseball, soccer, basketball and volleyball tournaments, providing amenities necessary to attract additional businesses and residents to locate within the City and increasing the economic impacts associated therewith and will thereby serve a valid and sufficient public purpose notwithstanding any benefit to any private business or person.
- (e) The City has determined that the total costs of the Capital Improvements, the costs of issuance of the Warrants herein authorized and other costs and expenses related thereto are expected to be up to \$50,000,000 to be determined prior to the Supplemental Ordinance duly adopted by the City Council as contemplated by Section 7.2 hereof.
- (f) The City does not have and does not expect to have in the near future, funds sufficient to enable it to pay all costs of the Capital Improvements. Since such improvements are needed in the City, the City has determined to issue its General Obligation Economic Development Improvement Warrants, Series 2022A, in a principal amount not to exceed \$50,000,000 (the "Warrants"), as and when needed and in one or more series.
- (g) The City heretofore issued pursuant to an Ordinance adopted by the Council on October 25, 2018 and a Definitive Terms Certificate dated November 20, 2018, (collectively, the "2018 Ordinance"), its General Obligation Warrants, Series 2018, dated November 20, 2018, originally issued in the aggregate principal amount of \$10,335,000 (the "2018 Warrants").
- (h) The City is not in default in the payment of the principal of and the interest on the 2018 Warrants or under the 2018 Ordinance.
- (i) Immediately after the issuance of the Warrants, the total indebtedness of the City issued under authority of the Economic Development Amendment will not be more than 50% of the assessed valuation of taxable property within the boundaries of the City for the last fiscal year (ended September 30, 2021).

ARTICLE II**AUTHORIZATION, DESCRIPTION,
EXECUTION, PAYMENT AND FORM OF THE WARRANTS**

Section 2.1 Authorization of the Warrants. Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, and for the purposes of financing a portion of the costs of the Capital Improvements, paying the premiums for a municipal bond insurance policy, if any and paying the costs of issuance thereof, there is hereby authorized to be issued by the City not in excess of \$50,000,000 in aggregate principal amount of its General Obligation Economic Development Improvement Warrants, Series 2022A.

Section 2.2 Description of the Warrants. The Warrants shall be issued only in fully registered form, without coupons, shall be issued and delivered not earlier than August 1, 2022, shall be dated the date of their initial issuance and delivery, shall be issued in principal amounts of \$5,000 or any integral multiple thereof, and shall be numbered from R-1 upwards in the order of their issuance and delivery. The Warrants shall bear interest from their date (or in the case of a Warrant registered in the name of a Holder on or after the first Interest Payment Date, from the Interest Payment Date next preceding the date of such registration or, if the date of such registration is an Interest Payment Date, from the date of registration) at the rates specified and provided in a Supplemental Ordinance duly adopted by the Council, not to exceed 5% per annum (calculated on the basis of a 360-day year of twelve 30-day months), payable on each February 1 and August 1 until payment of the principal amount thereof, beginning February 1, 2023, and shall mature on August 1 in the years 2023 through 2052, or some such years, as shall be specified and in such amounts as shall be provided in a Supplemental Ordinance duly adopted by the Council.

Section 2.3 Execution of the Warrants. The Warrants shall be executed in the name of the City by the manual or facsimile signatures of the Mayor of the City and its City Clerk inscribed or printed or otherwise reproduced thereon (it being herein provided that a condition to the validity of each Warrant is the manual execution on behalf of the Bank of the Registration Certificate endorsed on each Warrant). The Warrants shall be registered by the Treasurer of the City, in the records maintained by the Treasurer, as a claim against the City and the Warrant Fund, which registration shall be made simultaneously as to all the Warrants. The certificate of registration on each of the Warrants shall be executed by the manual or facsimile signature of the Treasurer of the City. The official seal of the City shall be impressed or printed or otherwise reproduced thereon and shall be attested by the aforementioned signature of the City Clerk. The said officers are hereby directed to cause the Warrants to be executed, sealed and registered in the manner provided by this section. Anything herein to the contrary notwithstanding, any assistant city clerk shall be empowered to execute any Warrant in the absence or unavailability of the City Clerk and any assistant treasurer of the City shall be empowered to execute any Warrant in the absence or unavailability of the Treasurer.

Section 2.4 Places and Medium of Payment of the Warrants. Principal of and interest on the Warrants shall be payable in lawful money of the United States of America. The principal of the Warrants shall be payable at the designated corporate trust agency office of the Bank, upon presentation and surrender of the Warrants as the same become due and payable. Interest on the Warrants shall be payable by check or draft mailed by the Bank to the lawful holders of the Warrants at the address shown on the registry books of the Bank pertaining to the Warrants as of the Record Date and shall be deemed timely made if so mailed on the Interest Payment Date (or if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date).

Section 2.5 Forms of the Warrants and Related Certificates. The Warrants, the certificate of registration thereof, the registration thereof as a claim against the Warrant Fund, and the form of assignment thereof shall be in substantially the following forms, with appropriate changes therein to conform to the applicable provisions hereof and the Supplemental Ordinance.

(Form of Warrant)

[FORM OF CAPTION FOR WARRANTS HELD IN BOOK ENTRY FORM]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF ALABAMA
CITY OF SARALAND
GENERAL OBLIGATION ECONOMIC DEVELOPMENT
IMPROVEMENT WARRANT
SERIES 2022A

MATURITY DATE

CUSIP NUMBER

INTEREST RATE

THE CITY OF SARALAND, ALABAMA, a municipal corporation in the State of Alabama (the "City"), for value received, hereby acknowledges that it is indebted in the principal sum of

_____ DOLLARS

and hereby directs the Treasurer of the City to pay such principal sum to

or registered assigns, on the maturity date specified above or such earlier date as this Warrant may be called for redemption, and to pay (but solely out of the Warrant Fund) interest on such principal sum from the date hereof (or in the case of a Warrant registered in the name of the registered Holder hereof on or after February 1, 2023, as evidenced by the Certificate of

Registration attached hereto, from the Interest Payment Date next preceding the date of such registration or, if the date of such registration is an Interest Payment Date, from the date of registration), until such principal sum shall become due and payable, at the per annum rate of interest specified above. Interest shall be payable on February 1 and August 1 in each year, beginning February 1, 2023 (each such date herein called an "Interest Payment Date"), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest shall be payable on overdue principal (and premium, if any) on this Warrant and (to the extent legally enforceable) on any overdue installment of interest on this Warrant at the rate borne hereby.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Authorizing Ordinance hereinafter described, be paid to the person in whose name this Warrant is registered at the close of business on the 15th day of the month next preceding such Interest Payment Date.

The Warrants are being issued by means of a book-entry system with no physical distribution of warrant certificates to be made except as provided in the Authorizing Ordinance (as hereinafter defined). One warrant certificate, in the aggregate principal amount of each maturity of the Warrants, registered in the name of Cede & Co. as nominee of the DTC, is being issued and required to be deposited with DTC (or an authorized banking institution acceptable to DTC) and immobilized in its custody. The book-entry system will evidence ownership of the Warrants, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal, interest and any redemption premium payments to beneficial owners of the Warrants by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, and to participants or persons acting through such participants. While Cede & Co. is the registered owner of this Warrant, notwithstanding the provisions hereinabove contained, payments of principal, interest and any redemption premium on this Warrant will be made in accordance with the existing arrangements between the Paying Agent and DTC.

Subject to the foregoing paragraph, payment of interest on this Warrant due on each Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the person entitled thereto at his address appearing in the Warrant Register maintained with respect to the Warrants. Such payments of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a business day, on the business day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) this Warrant and payment of accrued interest on this Warrant due upon redemption shall be made only upon surrender of this Warrant at the designated corporate trust agency office of the hereinafter described Bank. Upon the terms and conditions provided in the Authorizing Ordinance, the Holder of any Warrant or Warrants in an aggregate principal amount of not less than \$500,000 may request that payment of interest on such Warrant or Warrants be made by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other

method providing for same-day funds that is acceptable to the Bank. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This Warrant is one of the duly authorized issue of warrants of the City, aggregating \$_____ in principal amount, entitled "General Obligation Economic Development Improvement Warrants, Series 2022A" (the "Warrants") and issued under and pursuant to an ordinance duly adopted by the governing body of the City on June 9, 2022, as supplemented by an ordinance duly adopted on _____, 2022 (collectively, the "Authorizing Ordinance") and the constitution and laws of the State of Alabama, including particularly Section 2, Chapter 47, of Title 11 of the Code of Alabama, 1975, as amended, and the amendment to the Constitution of Alabama proposed by Act No. 2004-94, adopted at the 2004 Regular Session of the Legislature of Alabama and ratified on November 2, 2004, codified as Section 94.01 of the Official Recompilation of the Constitution of Alabama of 1901. Capitalized terms not otherwise defined herein shall have the meanings assigned in the Authorizing Ordinance.

The Authorizing Ordinance provides that Regions Bank, Birmingham, Alabama (the "Bank"), will serve as Paying Agent and Registrar with respect to the Warrants unless and until a successor is appointed pursuant to the terms and conditions of the Authorizing Ordinance. For purposes of this Warrant and the Authorizing Ordinance, the principal office of the Bank shall mean the office where the Bank maintains its designated corporate trust agency office in Birmingham, Alabama or at such other location as shall be designated by the Bank by written notice to the City and the Holders of the Warrants.

The indebtedness evidenced by the Warrants is a general obligation of the City for the payment of which the full faith and credit of the City have been irrevocably pledged, pro rata and without preference or priority of one Warrant over another.

Pursuant to the Authorizing Ordinance, the City has established a special fund for the payment of debt service on the Warrants (the "Warrant Fund") that will be held by the Bank. The City has obligated itself to pay or cause to be paid into the Warrant Fund from the taxes, revenues or other funds of the City sums sufficient to provide for the payment of debt service on the Warrants as the same becomes due and payable.

[Insert Mandatory and Optional redemption language]

Written notice of the call for redemption of this Warrant (or portion of the principal thereof) shall be forwarded by registered or certified mail to the registered owner hereof, not less than thirty (30) or more than sixty (60) days prior to the date fixed for redemption. In the event that less than all the outstanding principal of this Warrant is to be redeemed, the registered Holder hereof shall surrender this Warrant to the Bank in exchange for a new Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion hereof. Upon the giving of notice of redemption in accordance with the provisions of the Authorizing Ordinance,

the Warrants (or principal portions thereof) so called for redemption and prepayment shall become due and payable on the date specified in such notice, anything herein or in the Authorizing Ordinance to the contrary notwithstanding, and the Holders thereof shall then and there surrender them for payment, and all future interest on the Warrants (or principal portion thereof) so called for prepayment shall cease to accrue after the date specified in such notice, whether or not the Warrants are so presented.

This Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Bank, as Registrar and Transfer Agent of the City, and only upon surrender of this Warrant to such Registrar for cancellation, and upon any such transfer a new Warrant of like tenor herewith will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Ordinance. Each Holder hereof, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that this Warrant may be transferred only in accordance with the provisions of the Authorizing Ordinance. Provision is also made in the Authorizing Ordinance for the exchange of Warrants for a like aggregate principal amount and in authorized denominations, all upon the terms and subject to the conditions set forth in the Authorizing Ordinance.

The Registrar shall not be required to transfer or exchange this Warrant during the period of fifteen (15) days next preceding any interest payment date; and, in the event that this Warrant (or any principal portion hereof) is duly called for redemption and prepayment, the Registrar shall not be required to register or transfer this Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption and prepayment.

Registration, transfer and exchange of Warrants, other than to replace mutilated, lost, stolen or destroyed Warrants, shall be without expense to the Holder or transferee, but the Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

It has been ascertained and found, and it is hereby certified and recited, that all conditions, actions and things required by the constitution and laws of Alabama to exist, be performed or happen precedent to or in the issuance of this Warrant and the creation of the indebtedness evidenced and ordered paid hereby exist, have been performed and have happened, that such indebtedness has been registered as a claim against the Warrant Fund and is lawfully due without condition, and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was when incurred and is now within every debt and other limit prescribed by the constitution and laws of Alabama.

Unless the Registration Certificate hereon has been executed by the Bank, as Registrar for the Warrants, by manual signature, this Warrant shall not be entitled to any benefit under the Authorizing Ordinance or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed in its behalf by the Mayor and by the City Clerk of the City, each of whom have caused their signatures to be hereunto imprinted, has caused the official seal of the City to be imprinted hereon, and has caused this Warrant to be dated _____, 2022.

CITY OF SARALAND, ALABAMA

(SEAL)

By _____

Its Mayor

ATTEST:

By _____
City Clerk

* * * * *

(Form of Registration as Claim against Warrant Fund)

I hereby certify that this Warrant has been registered by me as a claim against the Warrant Fund referred to in this Warrant.

Treasurer of the City of Saraland, Alabama

* * * * *

(Form of Registration Certificate)

This Warrant was registered in the name of the above-registered owner on the date hereinafter set forth.

REGIONS BANK

By _____
Its Authorized Officer

DATE OF REGISTRATION: _____

(Form of Validation Certificate)

Validated and confirmed by judgment of the Circuit Court of Mobile County, State of Alabama, entered the ____ day of _____, 2022.

Court

Clerk of Said

The following abbreviations, when used in the inscription on this Warrant or in the assignment below, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - As tenants in common
- TEN ENT - As tenants by the entireties
- JT TEN - As joint tenants with right of survivorship and not as tenants in common and not as community property
- UNIF TRANS MIN ACT -

(Custodian) (Minor)

under Uniform Transfer to Minors Act

(State)

Additional abbreviations may be used although not in the above list.

(Form of Assignment)

For value received _____ hereby sell(s), assign(s) and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s), attorney, with full power of substitution in the premises, to transfer the Bond on the books of the within mentioned Bank.

Dated this the ____ day of _____, ____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:
(Bank, Trust company or Firm)

By: _____
(Authorized Officer)

Its Medallion Number _____

Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP)

ARTICLE III**FURTHER PROVISIONS WITH RESPECT TO
WARRANTS**

Section 3.1 Home Office Payment Agreement. Upon the written request of the Holder of any Warrant or Warrants in an aggregate principal amount of not less than \$500,000, the Bank will make payment of interest due on such Warrant or Warrants upon any Interest Payment Date by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Bank, provided that payment of the principal of and redemption premium (if any) on such Warrant or Warrants shall be made only upon surrender of such Warrant or Warrants to the Bank, as Paying Agent.

Section 3.2 Interest After Payment Due Date. The Warrants, any premiums thereon and, to the extent legally enforceable, overdue installments of interest thereon, shall bear interest after the maturity dates thereof or such earlier date as they may be called for redemption, until paid or until money sufficient for the payment thereof shall have been deposited for that purpose with the Bank, at the respective rates borne thereby.

Any provision hereof to the contrary notwithstanding, Overdue Interest shall not be payable to the Warrant Holder solely by reason of such Warrant Holder having been the Holder on the Record Date next preceding the Interest Payment Date on which such interest became due and payable, but shall be payable by the Bank as follows:

(a) Not less than ten (10) days following receipt by the Bank of immediately available funds in an amount sufficient to enable the Bank to pay all Overdue Interest, the Bank shall fix an Overdue Interest Payment Date for payment of such Overdue Interest, which date shall be not more than twenty (20) days following the expiration of the ten-day period after receipt of funds by the Bank;

(b) Overdue Interest shall be paid by check or draft mailed by the Bank to the persons in whose names the Warrants were registered in the registry books of the Bank pertaining to the Warrants on the Overdue Interest Payment Date.

Payment of Overdue Interest in the manner herein prescribed to the persons in whose names the Warrants were registered on the Overdue Interest Payment Date shall fully discharge and satisfy all liability for the same.

Section 3.3 Temporary Certificates. Pending the preparation of definitive Warrants the City may execute, and upon request of the City, the Bank shall register and deliver, temporary certificates which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Warrants in lieu of which they are issued, but numbered from R-1 upwards, without other identification numbers,

and with such other appropriate insertions, omissions, substitutions and other variations as the officers executing such temporary certificates may determine, as evidenced by their execution of such temporary certificates.

Any such temporary certificates shall be executed by the manual signatures of the appropriate officers of the City as required in Article II of this Ordinance and be executed and attested by the City Clerk. All such temporary certificates shall have impressed thereon the seal of the City.

If temporary Warrants are issued, the City will cause definitive Warrants to be prepared without unreasonable delay. After the preparation of definitive Warrants, the temporary Warrants shall be exchangeable for definitive Warrants upon surrender of the temporary Warrants at the principal office of the Bank, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Warrants the City shall execute and the Bank shall authenticate and deliver in exchange therefor a like principal amount of definitive Warrants of like tenor, and in authorized denominations. Until so exchanged, temporary Warrants shall in all respects be entitled to the security and benefits of this Ordinance.

Section 3.4 Payments Due on a Day Other Than a Business Day. If any payment on the Warrants is due on a day which is not a Business Day, such payment shall be made on the first succeeding date which is a Business Day with the same effect as if made on the day such payment was due.

Section 3.5 Book Entry System. The City may from time to time enter into, and discontinue, an agreement with a "clearing agency" (securities depository) registered under Section 17A of the Securities Exchange Act of 1934, as amended (a "Securities Depository"), which is the owner of the Warrants, to establish procedures with respect to the Warrants, not inconsistent with the provisions of this Ordinance; provided, however, that any such agreement may provide:

- (a) that such Securities Depository is not required to present a Warrant to the Paying Agent in order to receive partial payment of principal;
- (b) that a legend shall appear on each Warrant so long as the Warrants are subject to such agreement; and
- (c) that different provisions for notice to such Securities Depository may be set forth therein.

So long as an agreement with a Securities Depository is in effect, the City, the Bank and any paying agent or bond registrar shall not have any responsibility or liability with respect to the payment of principal, purchase price, premium, if any, or interest on the Warrants to the Beneficial Owners or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or any payments made to such Beneficial Owners.

ARTICLE IV

GENERAL OBLIGATION; PROVISION
FOR PAYMENT OF OBLIGATIONS

Section 4.1 General Obligation. The indebtedness evidenced by the Warrants is and shall be a general obligation of the City and the full faith and credit of the City are hereby irrevocably pledged to the payment of the principal thereof and interest thereon.

Section 4.2 Continued Levy of Taxes; Maintenance of Warrant Fund. The City agrees that, so long as the principal of or interest on any of the Warrants remains unpaid, the City will annually levy and collect taxes, insofar as such taxes may be permitted by the present or any future provisions of the Constitution of Alabama, in such amounts as may be necessary to provide for the payment of the principal of and interest on the Warrants. The City further agrees that so long as the principal of or interest on any of the Warrants remains unpaid it will deposit in the Warrant Fund with respect to such Warrants, not later than the 25th day of the month next preceding an Interest Payment Date, an amount which, when added to the amounts then on deposit in such Warrant Fund, will equal the principal, interest and redemption premium (if any) to come due with respect to the Warrants on such Interest Payment Date.

Section 4.3 Provision for Payment. (a) If the principal of and interest and redemption premium (if any) on the Warrants is paid in accordance with the terms thereof and this Ordinance, then all covenants, agreements and other obligations of the City to the Holders of such Warrants shall thereupon cease, terminate and become void and be discharged and satisfied. In the event the Warrants are so paid the Bank shall pay to the City any surplus remaining in the Warrant Fund.

(b) Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 4.3 if

(1) the City and the Bank (or another bank acting as trustee) enter into an appropriate trust agreement under which there shall be deposited, for payment or redemption of such Warrants and for payment of the interest to accrue thereon until maturity or redemption, and any redemption premium thereon, Government Obligations and cash or any combination of cash and Government Obligations which, together with the income to be derived from such, will produce monies sufficient to provide for the payment, redemption and retirement of such Warrants as and when the same become due;

(2) the City shall have adopted all necessary proceedings providing for the redemption of any such Warrants that are required to be redeemed prior to their respective maturities and shall have instructed the Bank or other trustee under the aforesaid trust agreement to provide such notices of redemption as are required under this Ordinance;

(3) the City and the Bank shall have been furnished with an opinion of nationally recognized bond counsel to the effect that the creation of any such trust will not result in subjecting to federal income taxation the interest on any of the Warrants that are to be paid in accordance with such trust; and

(4) the City and the Bank shall have been furnished a certificate of a firm of certified public accountants satisfactory to the Bank stating that such trust will produce monies sufficient to provide for the full payment and retirement of such Warrants as and when the principal of and interest and redemption premium (if any) on such Warrants shall come due.

Section 4.4. Retention of Moneys for Payment of Warrants. The amounts held by the Bank for the payment of the principal of and interest on any Warrants due on any date shall, pending such payment, be held in trust by the Bank for the holders of the Warrants entitled thereto, and for the purposes of this Ordinance the principal of and interest on such Warrants shall no longer be considered to be unpaid. All liability of the City to the Holders of such Warrants and all rights of such Holders against the City under the Warrants or under this Ordinance shall thereupon cease and terminate, and the sole right of such Holders shall thereafter be against such funds. If any Warrant shall not be presented for payment within a period of five (5) years following the date when such Warrant becomes due, whether by maturity, redemption or otherwise, or if the check or draft providing for any payment of interest on any Warrant shall not have been negotiated within such period, the Bank shall return to the City any moneys theretofore held by it for payment of such Warrant or such interest, subject to applicable laws of escheat.

ARTICLE V

REDEMPTION PROVISIONS

Section 5.1 Mandatory and Optional Redemption. The Warrants shall be subject to redemption prior to maturity at the times and under the terms provided in this Article V and otherwise as shall be provided in a Supplemental Ordinance. Without limiting the generality of the foregoing, Warrants of a particular maturity or maturities may be designated for mandatory redemption (herein referred to as "Term Warrants"), and all Warrants may be made subject to redemption at the option of the City from and after a specified date, all as shall be set forth in such Supplemental Ordinance.

Section 5.2 Procedure for Redemption; Ordinance Authorizing Redemption. Not more than sixty (60) or less than thirty (30) days prior to the Redemption Date, the City (or the Bank on behalf of the City) shall give, or cause to be given, written notice of such redemption and prepayment by United States mail, registered or certified, to the Holders of each of the Warrants to be redeemed, in whole or in part, at the address of such registered Holder as such address appears on the registry books of the Registrar, stating that the Warrants (or principal portions thereof) have been called for redemption and will become due and payable at the

Redemption Price, on a specified Redemption Date and that all interest thereon will cease to accrue after the Redemption Date. The holders of any of the Warrants to be redeemed may waive the requirements for notice with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrants. The City shall cause to be paid and made available at the office of the Bank, on or prior to the Redemption Date, the total Redemption Price of the Warrants (or portions thereof) so called for redemption on such date. Out of the moneys so deposited with it, the Bank shall make provision for payment of the Warrants (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

In addition to the foregoing notice, further notice shall be given by the City to all registered securities depositories and to one or more national information services that disseminate notices of redemption of obligations such as the Warrants. No defect in the further notice required in this paragraph, and no failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as described in the first paragraph of this Section 5.2.

Any optional redemption or prepayment of the Warrants or any portion thereof shall be effected upon a call by the City, as evidenced by a resolution of the Council, for redemption and prepayment of the Warrants to be so redeemed. Any such resolution pertaining to the Warrants shall state (i) that the City is not in default in the payment of the principal of or interest on any of the Warrants to be redeemed or (ii) that all of the Warrants then outstanding are to be retired on the Redemption Date.

Section 5.3 Result of Redemption of Warrants. Upon compliance with the requirements set forth in this Article V, and if the City is not on the Redemption Date in default in the payment of the principal of or interest on the Warrants, the Warrants (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price and on the Redemption Date specified in the notice provided for in Section 5.2, and the Holders thereof shall then and there surrender them for redemption; provided, however, that in the event that less than all of the outstanding principal of any Warrant is to be redeemed, the registered Holder thereof shall surrender the Warrant that is to be prepaid in part to the Bank in exchange, without expense to the Holder, for a new Warrant of like tenor except in a principal amount equal to the unredeemed portion thereof. All future interest on the Warrants (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date.

ARTICLE VI**REGISTRATION AND TRANSFER OF THE WARRANTS**

Section 6.1 Registration and Transfer of the Warrants. The Warrants shall be registered as to both principal and interest. Each Warrant shall have endorsed thereon a registration certificate substantially in the form provided in Section 2.5 hereof, and a condition to the validity of each Warrant shall be the manual execution of such certificate on behalf of the Bank. The Bank is hereby appointed as the Registrar and Transfer Agent for the Warrants, and shall be authorized to keep at its designated corporate trust agency office, proper registry books in which it shall register the Warrants, as to both principal and interest, noting the registry on the Warrants so presented. Such registration shall conclusively designate the Warrant Holder as the sole person to whom or on whose order the payment of the principal of and interest on the Warrants so registered may be made. After such registration no transfer of a Warrant so registered shall be valid unless it is presented at the said office with written power to transfer, properly stamped if required, in form and with guaranty of signature satisfactory to the Registrar, and such new registration noted thereon by the Registrar. The Registrar shall not be required to transfer or exchange such Warrant during the period of fifteen (15) days next preceding any interest payment date. If any Warrant shall be duly called for redemption pursuant to the provisions hereof, the Registrar shall not be required to transfer such Warrant during the period of sixty (60) days next preceding the date fixed for its redemption.

Section 6.2 Exchange of Warrants. Upon request of the Holder of any Warrant, the City shall execute, and the Bank shall register and deliver, upon surrender to the Bank of the Warrant or Warrants, in exchange therefor, a Warrant or Warrants of the same tenor in different authorized principal amounts (of \$5,000 or integral multiples thereof), together aggregating the same principal amount as the then unpaid principal of the Warrant or Warrants so surrendered, all as may be requested by the persons surrendering such Warrant or Warrants.

Section 6.3 Costs of Registration, Transfer and Exchange. The registration, transfer and exchange of Warrants (other than pursuant to Section 6.5 hereof) shall be without expense to the Holder or transferee. In every case involving a transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

Section 6.4 Effect of Registration. The City, the Registrar, and the Paying Agent may deem and treat the person in whose name a Warrant is registered on the books of the Registrar as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered shall, to the extent of such payment, fully discharge all liability thereof.

Section 6.5 Replacement of Mutilated, Lost, Stolen or Destroyed Warrants. In the event that any Warrant is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided, that (a) in the case of

any such mutilated Warrant, such Warrant is first surrendered to the City and the Bank, and (b) in the case of any such lost, stolen or destroyed Warrant, there is first furnished to the City and the Bank evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

Section 6.6 Provisions with Respect to Bank. (a) Appointment of Bank and Acceptance of Duties. The Bank is herein designated and appointed and shall act as registrar, transfer agent and payment agent with respect to the Warrants. By its acceptance of such duties hereunder, the Bank shall accept and agree to perform the duties required by this Ordinance, subject, however, to the following conditions:

- (i) The Bank shall undertake to perform such duties and only such duties as are specifically set forth in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Bank.
- (ii) In the absence of bad faith or negligence on its part, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Bank and conforming to the requirements of this Ordinance; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Ordinance.
- (iii) The Bank shall not be answerable for other than its gross negligence or willful default and the Bank may act through its agents and attorneys with respect to any of its duties hereunder.
- (iv) No provision of this Ordinance shall be construed to relieve the Bank from liability for its own gross negligence or willful misconduct, except that no provision of this Ordinance shall require the Bank to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (v) The Bank may consult counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of counsel, provided that its action or inaction is not contrary to any express provision hereof.
- (vi) The Bank need not recognize a Holder of a Warrant as such without the satisfactory establishment of his title to such Warrant.
- (vii) Any action taken by the Bank at the request of and with the consent of the Holder of a Warrant will bind all subsequent Holders of the same Warrant and any

Warrant issued hereunder in lieu thereof.

- (viii) The Bank may be a Holder or a pledgee of any of the Warrants as if not Bank hereunder.
- (ix) The Bank shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.
- (x) The Bank shall not be liable to pay or allow interest on any moneys to be held by it under this Ordinance or otherwise to invest any such moneys, except as specifically required by this Ordinance or as may be required by law or other written agreement between the City and the Bank.
- (xi) The Bank may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.
- (xii) The Bank shall, upon reasonable written request, inform the City of the amount at the time on deposit in any of the special funds or accounts created hereunder.
- (xiii) The recitals of fact herein and in the Warrants are statements by the City and not by the Bank, and the Bank is in no way responsible for the validity or security of the Warrants or the validity of the security afforded hereby.

(b) Resignation by Bank. The Bank and any successor Bank may resign and be discharged from the duties under this Ordinance by causing written notice specifying the effective date, postage prepaid, to the City and to every Holder of a Warrant. Unless the effective date of the Bank's resignation shall coincide with the appointment of a successor Bank by the Holders of the Warrants as herein provided, such date shall be at least sixty (60) days after the date on which notice to the City and the Holders of the Warrants shall have been mailed.

(c) Removal of Bank. The Bank may be removed at any time by an instrument or concurrent instruments in writing delivered to the Bank and to the City and signed by the Holders of a majority in aggregate principal amount of the Warrants then outstanding.

(d) Appointment of Successor Bank; Interim Bank. In case the Bank shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by Holders of a majority in aggregate principal amount of Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Bank to be incapable of acting, the City, by an instrument signed by the Mayor, shall appoint an interim Bank to serve until a successor Bank shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants, as provided above. Whenever necessary to avoid or fill a vacancy in the office of Bank, the City will appoint an interim Bank in order that there shall at all times be a Bank hereunder. Any interim Bank so appointed by the City

shall immediately and without further act be superseded by the Bank appointed by the holders of the Warrants.

The City shall cause notice of the appointment of an interim Bank, in the event that such an appointment is made, to be forwarded by United States registered or certified mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Bank, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the City shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Bank. Every interim or successor Bank appointed pursuant to this Section shall be a trust company or bank which is qualified to perform all duties of the Bank under this Ordinance and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Bank upon reasonable or customary terms.

(e) Concerning any Successor Bank. Every successor Bank shall execute, acknowledge and deliver to its predecessor and also to the City an instrument in writing accepting its appointment as Bank hereunder, and thereupon such successor Bank, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall nevertheless, on the written request of the City or such successor Bank, execute and deliver an instrument transferring to such successor Bank all rights, powers and interests of such predecessor hereunder; and every predecessor Bank shall deliver all securities and moneys held by it as Bank hereunder to its successor.

(f) Merger or Consolidation of Bank. Any corporation into which the bank may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank, shall be the successor of the Bank hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case the registration certificates with respect to any Warrants shall have been executed by the Bank then in office, any successor by merger or consolidation to such Bank may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Bank had itself registered such Warrants.

(g) Compensation of Bank. Subject to the provisions of any separate agreement with the Bank, the City shall pay to the Bank from time to time reasonable compensation for all services rendered by it under this Ordinance, including its services as registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees, costs and expenses and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

ARTICLE VII**VALIDATION OF WARRANTS; EXECUTION AND DELIVERY OF THE WARRANTS; USE OF PROCEEDS THEREFROM**

Section 7.1 Validation of Warrants. In order to carry out the issuance of the Warrants for the purposes hereinabove stated, and pursuant to the constitution and laws of the State of Alabama, the Mayor is hereby authorized and directed to file or cause to be filed on behalf of the City, a petition for the purpose of determining the legality and validity of the Warrants and all matters related to the issuance and payment thereof, all in accordance with Article 17, Chapter 6, Title 6 of the Code of Alabama 1975, as amended.

Section 7.2 Authority to Execute and Deliver the Warrants. Upon validation thereof, the Mayor shall present to the Council for approval a Supplemental Ordinance specifying such further terms and conditions of the Warrants, and containing such additional terms and provisions, as shall be necessary and appropriate. Upon adoption of the Supplemental Ordinance to the extent required to further establish the terms thereof, the Mayor of the City, the City Clerk and the Treasurer are hereby authorized and directed to cause the Warrants to be executed, sealed, attested and registered as a claim against the City and the Warrant Fund as provided herein and delivered to the purchaser thereof upon payment to the City of the sale price therefor.

Section 7.3 Application of Proceeds of Sale; Additional Sums. The gross proceeds derived from the sale of the Warrants shall be paid to the Bank and shall be used solely for the following purposes:

- (i) The part of the proceeds which represents accrued interest on the Warrants to the date of their delivery, if any, shall be deposited in the Warrant Fund and applied for payment of interest coming due on the next Interest Payment Date;
- (ii) Any amount equal to the premium on the Municipal Bond Insurance Policy, if any such policy is issued shall be paid directly to the Bond Insurer; and
- (iii) The remainder of the proceeds of the sale of the Warrants shall be deposited with a bank or trust company acting as depository and to be designated in the Supplemental Ordinance, shall be held in a special account to be designated the Capital Improvements Account, and shall be applied for the purposes described Section 8.1.

ARTICLE VIII

CREATION OF CAPITAL IMPROVEMENT ACCOUNT, AND WARRANT FUND; COVENANTS WITH RESPECT TO WARRANT PROCEEDS

Section 8.1 Capital Improvements Account. There shall be created a special account the full name of which shall be the "City of Saraland Capital Improvements Account, 2022A." The Capital Improvements Account shall be maintained as a separate account until the moneys in said account shall have been fully expended as hereinafter provided. Except as hereinafter provided, the City will apply the moneys in the Capital Improvements Account solely for payment of costs of issuance of the Warrants, costs of the construction and installation of the Capital Improvements described in Section 1.3(a) hereof and the costs of the economic development projects, as and when such costs become due and payable. The City shall designate a depository for the Capital Improvements Account.

The Mayor or any other person designated in writing by the Mayor are hereby authorized and directed to make withdrawals from the Capital Improvements Account for the purpose of paying the costs of the Capital Improvements described in Section 1.3(a) hereof, and to make any transfer that may be made pursuant to the succeeding sentence of this Section. The City shall have the right to designate Capital Improvements or to supplement or revise the list of Capital Improvements to be paid from proceeds of the Warrants by resolution or ordinance; provided, that no revisions or addition to the Capital Improvements as herein approved shall adversely affect the excludability of interest on the Warrant for federal income tax purposes.

Section 8.2 Warrant Fund. There is hereby created a special account, the full name of which shall be the "City of Saraland Warrant Fund, 2022A." The Warrant Fund shall be maintained as a separate fund until payment in full of the principal of and interest on the Warrants. The Bank is hereby designated as the custodian of the Warrant Fund.

Not later than the 25th day of each January and July, the City shall deposit into the Warrant Fund an amount equal to (a) the amount of interest which will come due on the next Interest Payment Date and (b) the amount of principal that will mature or otherwise come due, if any, on the next succeeding February 1 or August 1, respectively; provided, that any such payments shall be adjusted to the extent appropriate to take into account any interest and investment earnings within the Warrant Fund. Monies deposited in the Warrant Fund shall be used by the Bank for the payment of principal, interest and redemption premium (if any) on, the Warrants, and for no other purpose until the payment in full of the Warrants.

Section 8.3 Investment of Moneys in Accounts. Pending the expenditure of moneys in the Warrant Fund for any other purpose, the City shall have the privilege at any time and from time to time of investing and reinvesting, or causing to be invested and reinvested, all or part of the moneys at any time on deposit in such account, in Government Obligations or in money market funds consisting of Government Obligations. Pending the expenditure of moneys in the Issuance Expense Account and the Capital Improvements Account for any other purpose, the City shall

have the privilege at any time and from time to time of investing and reinvesting, or causing to be invested and reinvested, all or part of the moneys at any time on deposit in such account in Government Obligations, money market funds consisting of Government Obligations, or certificates of deposit issued by banks or trust companies having at the time of the deposit combined capital, surplus and undivided profits of not less than \$5,000,000.

The Bank is hereby directed to invest and reinvest such amounts promptly upon receipt of, and in accordance with, the written instructions of the City. The Bank may conclusively rely upon the City's written instructions as to both the suitability and legality of the directed investments. In the absence of written investment instructions from the City, the Bank shall not be responsible or liable for keeping the moneys held by it hereunder fully invested. The Bank shall not be liable for any losses from such directed investments.

Section 8.4 Security for Funds. Any money on deposit in any fund or account or held by the Bank pursuant to this Ordinance shall, unless invested as provided herein or secured by the Federal Deposit Insurance Corporation (or any successor agency of the United States of America) or under the State of Alabama Security for Alabama Funds Enhancement Program, be secured for the benefit of the City and the Holders by holding on deposit as collateral security direct obligations of the United States of America or securities designated by the Office of the Comptroller of the Currency in 12 CFR 9.10(b) as acceptable collateral for funds held by a national bank in a fiduciary account awaiting investment or distribution, having a market value (exclusive of accrued interest) not less than the amount of money being secured.

Section 8.5 Covenants with Respect to Exemption of Interest from Federal Income Taxation; Non-Arbitrage Covenant. The City acknowledges and agrees that the Warrants are to be issued in compliance with the conditions necessary for the interest income thereon to be exempt from federal income taxation pursuant to the relevant provisions of the Code. The City hereby covenants and agrees as follows:

- (a) It will not use or apply the proceeds of the Warrants or direct the investment of moneys in any funds or accounts established or maintained with respect to the Warrants in such manner as to constitute any Warrant an "arbitrage bond" within the meaning of Section 148 of the Code;
- (b) It will make timely rebate payments to the United States of America with respect to any "excess" arbitrage profits as required by Section 148(f) of the Code;
- (c) It will maintain all records required by Section 148(f) of the Code and the applicable regulations thereunder and shall furnish such data or information regarding compliance with Section 148(f) of the Code as any Holder shall reasonably request in writing, which records shall be furnished to any Holder upon its request;
- (d) It will, within 60 days after a written request of the Bank therefor, furnish to the Bank and to any Holder a certificate by an independent certified public

accountant or opinion of nationally recognized bond counsel stating that as of such date it had made all rebate payments to the United States of America necessary to prevent the Warrants from becoming "arbitrage bonds" under Section 148(f) of the Code;

(e) It will comply with the terms of the City's Tax Certificate and Agreement with regard to use of proceeds of the Warrants in any private business use; payment of the Warrants shall not be secured by, or derived from, property used in a private business use; proceeds of the Warrants shall not be used to make or finance loans to persons other than governmental units; and proceeds of the Warrants shall not be used in any manner that would cause the Warrants to be or become private activity bonds, as defined in Section 141 of the Code;

(f) It will not cause or permit the Warrants to be federally guaranteed, within the meaning of Section 149(b) of the Code; and

(g) It will not in any other way cause or permit the proceeds of the Warrants to be used in a manner which would cause the interest on the Warrants to lose the exemption from federal income taxation as provided under the Code and the applicable regulations thereunder and will comply with all applicable provisions of the Code (including, without limitation, the provisions relating to post-issuance actions affecting tax exemption) to the extent necessary for interest on the Warrants to be excludable from gross income of the holders thereof.

(h) It has in place procedures providing for compliance with each of the matters described above and for keeping records with respect to such compliance.

ARTICLE IX**APPROVAL OF OFFICIAL STATEMENT; APPROVAL OF SALE;
MISCELLANEOUS PROVISIONS**

Section 9.1 Approval of Official Statement. The Mayor of the City is hereby authorized and directed to cause to be prepared a Preliminary Official Statement with respect to the Warrants, and prior to any distribution of such Preliminary Official Statement the Mayor of the City is authorized to deem such Preliminary Official Statement final within the meaning of Securities and Exchange Commission Rule 15c2-12. The Mayor of the City is hereby authorized and directed to cause to be prepared a final official statement on behalf of the City in substantially the form herein approved, with such changes therein and additions thereto as shall be necessary to conform to the provisions of this Ordinance and the Supplemental Ordinance authorizing the Warrants and such other changes and additions as the Mayor of the City shall deem necessary and appropriate. The execution of the final official statement by the Mayor of the City as hereby authorized shall be conclusive evidence of any such approval. The distribution of such preliminary official statement on behalf of the City is hereby authorized and approved.

Section 9.2 Ratings; Bond Insurance. The Mayor and City Clerk are hereby authorized to submit such information as shall be required in order to obtain a rating or ratings for the Warrants and to obtain a Bond Insurance Policy to the extent such a policy will lower the overall borrowing costs with respect to the Warrants. The Bond Insurance Policy, if any, shall be approved in the Supplemental Ordinance and the Supplemental Ordinance shall contain such covenants and agreements as shall be necessary and appropriate in order to obtain the Bond Insurance Policy.

Section 9.3 Further Acts. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, directors, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Warrants and in the delivery of the Official Statement or as contemplated by this Ordinance.

The Mayor and City Clerk are authorized and directed to prepare and furnish to the purchaser of the Warrants of any series, when the Warrants are issued, certified copies of all the proceedings and records of the Council relating to the Warrants, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Warrants as such facts appear from the books and records in such officers' custody and control or as otherwise known to them.

Section 9.4 Amendment of Description of Capital Improvements. Subject to the requirements of the Economic Development Amendment and the Warrant Authorizing Law, the

City may amend or change the description of the Capital Improvements contained in this Ordinance to modify or supplement the Capital Improvements to be financed by adoption of an ordinance setting forth such amendment or change; provided, that the Capital Improvements as so amended or changed must be eligible for financing with proceeds of Warrants issued pursuant to the Warrant Authorizing Law, such amendment or change may not cause the amount of the Warrants chargeable against the City's constitutional limitation on indebtedness to increase, and any such amendment with respect to the Capital Improvements financed with the Warrants must not, in the opinion of nationally recognized bond counsel, adversely affect the tax exempt status of the Warrants.

Section 9.5 Contractual Provisions. The provisions of this Ordinance shall constitute a contract between the City and the Holders at any time of the Warrants. Upon payment in full of the principal of and interest on the Warrants the obligations of the City hereunder shall cease with respect thereto.

Section 9.6 Warrants Payable at Par. Each bank at which the Warrants may at any time be payable, by acceptance of its duties as Paying Agent therefor, shall be construed to have agreed thereby with the Holders of the Warrants that all remittances made by it on the Warrants shall be made in bankable funds at par and without deduction for exchange, fees or expenses.

Section 9.7 Severability. The various provisions of this Ordinance are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

Section 9.8 Repeal of Conflicting Provisions. All resolutions, orders or parts thereof in conflict with this Ordinance are to the extent of such conflict are hereby repealed.


Motion was made Councilmember Cromer, seconded by Councilmember Moye for approval of retiree longevity bonus. Motion carried.

Motion was made by Councilmember Biggs, seconded by Councilmember Cromer to amend the agenda for opening of bids for Fire Station 3 weatherproofing. There being no bids submitted,


authorization was given for Mike Black to solicit bids and report back to Council. Motion carried.

There being no further business to come before the Council, motion was made by Councilmember Biggs to adjourn at 6:53 p.m.

ACCEPTED and APPROVED the 20th day of June, 2022.



Joe McDonald, Council President



Christine Purvis, Executive Assistant