

The Saraland City Council met in special session on September 19, 2022, at the Saraland Municipal Annex. The meeting was called to order at 6:06 p.m. by Council President McDonald. Roll call was as follows:

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

Attorney, Andy Rutens was present.

Councilmember Biggs opened the meeting with prayer.

Council President McDonald advised the purpose of this meeting is to consider the final General Obligation Warrant approval. Other municipal business may be considered at this time.

Councilmember Biggs introduced A SUPPLEMENTAL ORDINANCE TO THAT CERTAIN ORDINANCE NO. 1223 ADOPTED JUNE 9, 2022, AUTHORIZING THE ISSUANCE OF UP TO \$50,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION ECONOMIC DEVELOPMENT IMPROVEMENT WARRANTS, SERIES 2022A.

ORDINANCE 1238

A SUPPLEMENTAL ORDINANCE TO THAT CERTAIN ORDINANCE NO. 1223 ADOPTED JUNE 9, 2022 AUTHORIZING THE ISSUANCE OF UP TO \$50,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION ECONOMIC DEVELOPMENT IMPROVEMENT WARRANTS, SERIES 2022A

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

Section 1. Findings of Council. Having made due and proper investigation of the matters hereinafter referred to, the Council hereby finds and determines:

(a) The City has heretofore authorized the issuance of its General Obligation Economic Development Improvement Warrants, Series 2022A (the "Warrants"), in an aggregate principal amount not to exceed \$50,000,000, under the terms and conditions of Ordinance No. 1223 adopted by the City Council at its regular meeting held on June 9, 2022 (the "Original Ordinance").

(b) The Original Ordinance contemplates that upon judicial validation of the Warrants the City Council will adopt a supplemental ordinance providing for certain terms of the Warrants and for their issuance, sale and delivery.

(c) It is necessary and advisable that the Original Ordinance be supplemented and amended as hereinafter set forth, and is further necessary and advisable that the Warrants be sold, issued and delivered in accordance with the terms of the Original Ordinance, as so supplemented and amended.

Section 2. Principal Amounts; Interest Rates and Maturities. The Warrants shall be issued in the aggregate principal amount of \$49,995,000, shall be dated the date of their initial issuance and delivery, shall bear interest from date (or in the case of a Warrant registered in the name of a Holder on or after February 1, 2023, 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 per annum shown below (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 and amounts, as follows:

<u>Year of Maturity</u>	<u>Amount Maturing</u>	<u>Interest Rate</u>
2023	\$ 485,000	4.000%
2024	150,000	4.000%
2025	155,000	4.000%
2026	410,000	4.000%
2027	425,000	5.000%
2029	1,155,000	3.000%
2030	735,000	3.000%
2031	755,000	5.000%
2032	790,000	5.000%
2033	1,210,000	5.000%
2034	1,270,000	5.000%
2035	1,330,000	5.000%
2036	1,400,000	4.000%
2037	1,455,000	4.000%
2038	1,510,000	4.100%
2039	1,575,000	4.125%
2040	1,640,000	4.250%
2041	1,710,000	4.375%
2042	1,785,000	4.375%
2047	13,280,000	4.625%
2052	16,770,000	5.000%

Section 3. Record Date. The Record Date means, as to any Interest Payment Date, the January 15 or July 15 immediately preceding such Interest Payment Date.

Section 4. Redemption of the Warrants. (a) Optional Redemption. The Warrants will be subject to redemption prior to their maturity, at the option of the City, in whole or in part, on August 1, 2032 and on any date thereafter (in principal amounts of \$5,000 and any integral

multiple thereof and if less than all of the Warrants are to be redeemed, those maturities or portions thereof to be called for redemption shall be selected by the City in its discretion, and if less than all the Warrants of a single maturity are to be redeemed, those to be called for redemption shall be selected by lot), at and for a redemption price equal to 100% of the principal amount of each Warrant or portion thereof redeemed, plus accrued interest to the date fixed for redemption..

(b) Scheduled Mandatory Redemption. The Warrants maturing on August 1, 2029 (the “2029 Term Warrants”) will be subject to mandatory redemption prior to maturity on the dates and in the principal amounts shown below. Those of the 2029 Term Warrants (or portions thereof) to be so redeemed will be redeemed at and for a redemption price equal to the principal amount thereof plus accrued interest thereon to the redemption date, with those to be redeemed to be selected by lot.

<u>August 1 of the Year</u>	<u>Principal Amount Required to be Redeemed</u>
2028	\$445,000

In the absence of prior optional redemption, 2029 Term Warrants in the aggregate principal amount of \$710,000 will remain to be paid at their stated maturity on August 1, 2029.

The Warrants maturing on August 1, 2047 (the “2047 Term Warrants”) will be subject to mandatory redemption prior to maturity on the dates and in the principal amounts shown below. Those of the 2047 Term Warrants (or portions thereof) to be so redeemed will be redeemed at and for a redemption price equal to the principal amount thereof plus accrued interest thereon to the redemption date, with those to be redeemed to be selected by lot.

<u>August 1 of the Year</u>	<u>Principal Amount Required to be Redeemed</u>
2043	\$2,420,000
2044	2,535,000
2045	2,650,000
2046	2,775,000

In the absence of prior optional redemption, 2047 Term Warrants in the aggregate principal amount of \$2,900,000 will remain to be paid at their stated maturity on August 1, 2047.

The Warrants maturing on August 1, 2052 (the “2052 Term Warrants”) will be subject to mandatory redemption prior to maturity on the dates and in the principal amounts shown below. Those of the 2052 Term Warrants (or portions thereof) to be so redeemed will be redeemed at and for a redemption price equal to the principal amount thereof plus accrued interest thereon to the redemption date, with those to be redeemed to be selected by lot.

<u>August 1 of the Year</u>	<u>Principal Amount Required to be Redeemed</u>
2048	\$3,035,000
2049	3,185,000
2050	3,345,000
2051	3,515,000

In the absence of prior optional redemption, 2052 Term Warrants in the aggregate principal amount of \$3,690,000 will remain to be paid at their stated maturity on August 1, 2052.

Section 5. Sale of Warrants; Approval of Warrant Purchase Agreement. The Council does hereby ratify and approve (i) the sale of the Warrants to The Frazer Lanier Company Incorporated (the "Underwriter") at the purchase price of \$50,338,074.90 (which takes into account net original issue premium of \$735,924.90 and an Underwriter's discount of \$392,850.00, and (ii) the execution by the Mayor of the City of the Warrant Purchase Agreement, dated September 14, 2022, between the City and the Underwriter in accordance with Resolution 2254 previously adopted by the Council.

Section 6. Approval of Official Statement. The Council hereby approves and ratifies the actions heretofore taken by the Underwriter in connection with the preparation and distribution of a Preliminary Official Statement respecting the Warrants, which form has heretofore been deemed final within the meaning of Securities and Exchange Commission Rule 15c2-12. The Commission hereby approves and adopts the final Official Statement dated September 14, 2022, respecting the Warrants, the said final Official Statement to be in substantially the form presented to the meeting of the Council at which this Ordinance is adopted. The Council further authorizes the use and distribution of the said Official Statement by the Underwriter in connection with the reoffering of the Warrants. In evidence of the approval by the Council of the said Official Statement, the Mayor of the City is hereby authorized and directed to sign manually and deliver the said Official Statement, on behalf of the Council, with such changes and additions as the Mayor of the City shall deem necessary or desirable to consummate the sale and issuance of the Warrants, the determination of the definitive form of the said Official Statement by the Mayor of the City to be conclusively established by execution (which may be by facsimile signature) of such document.

Section 7. Authorization of Continuing Disclosure Agreement. Upon delivery of the Warrants to the purchaser thereof, the Mayor of the City is hereby authorized and directed to execute and deliver for and on behalf of the City the Continuing Disclosure Agreement in substantially the form presented at the meeting of the Council at which this Supplemental Ordinance is adopted. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Supplemental Ordinance, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered a default hereunder or with respect to the Warrants; provided, however, any Holder or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section 6. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Warrants (including persons holding Warrants through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Warrants for federal income tax purposes.

Section 8. Capital Improvements Account. Regions Bank, Birmingham, Alabama, is hereby designated as the depository for the Capital Improvements Account.

Section 9. Bond Insurance. The Council hereby approves the Commitment to Issue a Municipal Bond Insurance Policy (the "*Commitment*") between the City and the Insurer, dated September 8, 2022; and the City further ratifies and approves the execution of the Commitment by the Mayor of the City authorizes the payment of the premium therefor. Subject to the terms and conditions of the Commitment, the Insurer has agreed to issue on the date of delivery of the Warrants, a municipal bond insurance policy for the Warrants insuring the payment of principal of and interest on the Warrants. So long as such Policy remains in force and effect and the Insurer has performed its obligations thereunder, the following provisions shall govern, notwithstanding anything to the contrary set forth in this Ordinance:

- A. Notice and Other Information to be given to BAM. The City will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of Warrants or the Paying Agent under this Ordinance.

The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. 2022B0625, Telephone: (212) 235-2500, Telecopier: (212) 962-1710, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 962-1524 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

- B. Amendments, Supplements and Consents.

1. *Amendments*. Wherever any consent of Warrant holders is required under this Ordinance, BAM's consent shall also be required. In addition, any amendment, supplement or modification to this Ordinance that adversely affect the rights or interests of BAM shall be subject to the prior written consent of BAM.

2. *Consent of BAM Upon Default*. Anything herein to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole holder of the Warrants for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Warrants or Paying Agent for the benefit of such holders under this Ordinance. The Paying Agent may not waive any default or event of default or accelerate the Warrants without BAM's written consent.

- C. BAM As Third Party Beneficiary. BAM is explicitly recognized as and shall be deemed to be a third party beneficiary of this Ordinance and may enforce any right, remedy or claim conferred, given or granted thereunder.

D. Policy Payments.

1. In the event that principal and/or interest due on the Warrants shall be paid by BAM pursuant to the Policy, the Warrants shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Warrants.
2. Irrespective of whether any such assignment is executed and delivered, the City and the Paying Agent shall agree for the benefit of BAM that:
 - (a) They recognize that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Paying Agent), on account of principal of or interest on the Warrants, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the City, with interest thereon, as provided and solely from the sources stated in this Ordinance and the Warrants; and
 - (b) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon, but only from the sources and in the manner provided in this Ordinance and the Warrants for the payment of principal of and interest on the Warrants to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.
3. *Special Provisions for Insurer Default:* If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraph B above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Warrants for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph 3, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition

filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

4. Definitions. As used in this Section 9, the following terms shall have the meanings ascribed:

“BAM” or the “Insurer” shall mean Build America Mutual Assurance Company, or any successor thereto.

“Policy” shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Warrants when due.

Section 10. 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 execution and delivery of the Official Statement or as contemplated by this Supplemental Ordinance.

The Mayor of the City, the City Clerk are authorized and directed to prepare and furnish to the purchasers of the Warrants, 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 11. Defined Terms. Each capitalized term used herein and not otherwise defined shall have the meaning given such term in the Original Ordinance.

Section 12. Confirmation of Original Ordinance. All of the terms, covenants and conditions of the Original Ordinance, as it has been supplemented by this Supplemental Ordinance, are hereby in all things confirmed, and they shall remain in full force and effect.

DONE, this the 19th day of September, 2022.

Motion was made by Councilmember Biggs, seconded by Councilmember Cromer, to suspend the rules to allow for immediate consideration of the proposed SUPPLEMENTAL ORDINANCE TO THAT CERTAIN ORDINANCE NO. 1223 ADOPTED JUNE 9, 2022, AUTHORIZING THE ISSUANCE OF UP TO \$50,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION ECONOMIC DEVELOPMENT IMPROVEMENT WARRANTS, SERIES 2022A

The following votes were recorded:

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

Motion carried.

Unanimous consent being given to allow for immediate consideration of the proposed ordinance, motion was made by Councilmember Cromer, seconded by Councilmember Biggs, to adopt the SUPPLEMENTAL ORDINANCE TO THAT CERTAIN ORDINANCE NO. 1223 ADOPTED JUNE 9, 2022, AUTHORIZING THE ISSUANCE OF UP TO \$50,000,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION ECONOMIC DEVELOPMENT IMPROVEMENT WARRANTS, SERIES 2022A.

The following votes were recorded:

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

Motion carried.

Motion was made by Councilmember Biggs, seconded by Councilmember Hudson to authorize the mayor to sign a contract for a new Fire Department rescue truck and put a deposit in the amount of \$50,000 down on the purchase. The estimated build time is 18-24 months. Motion carried.

Motion was made by Councilmember Cromer, seconded by Councilmember Hudson to reappoint Dr. Gary Shockley to the Saraland School Board. Motion carried.

Motion was made by Councilmember Cromer, seconded by Councilmember Moyer to increase the city prosecutor's compensation to \$125.00 per hour. Motion carried.

Motion was made by Councilmember Biggs, seconded by Councilmember Cromer, to authorize training expenses, and adopt a resolution for a cash advance for Orenthal Atkins and Blake Edwards to attend Master Use of Force Training, October 24-28, 2022, in Opelika, Alabama. Motion carried.

RESOLUTION 2260

BE IT RESOLVED by the City Council of the City of Saraland, that

WHEREAS a cash advance for Orenthal Atkins and Blake Edwards to attend Master Use of Force Training, October 24-28, 2022, in Opelika, Alabama; and

WHEREAS a statement of said expenditures will be presented to the City Clerk immediately upon return, at which time all monies will be balanced.

ADOPTED AND APPROVED this 19th day of September 2022

Motion was made by Councilmember Cromer, seconded by Councilmember Moye to authorize training expenses, and adopt a resolution for a cash advance for Renee Lindquist and Jamel Sullivan to attend APCO Fall Workshop, October 26-28, 2022, in Orange Beach, Alabama. Motion carried.

RESOLUTION 2261

BE IT RESOLVED by the City Council of the City of Saraland, that

WHEREAS a cash advance for Renee Lindquist and Jamel Sullivan to attend APCO Fall Workshop, October 26-28, 2022, in Orange Beach, Alabama; and

WHEREAS a statement of said expenditures will be presented to the City Clerk immediately upon return, at which time all monies will be balanced.

ADOPTED AND APPROVED this 19th day of September 2022.

Motion was made by Councilmember Moye, seconded by Councilmember Biggs, to authorize training expenses, and adopt a resolution for a cash advance for Bryson McDaniel, Wayne Miller, and Bryan Mims to attend Southeastern Leadership Executive Development, October 31, 2022, in Auburn, Alabama. Motion carried.

RESOLUTION 2262

BE IT RESOLVED by the City Council of the City of Saraland, that

WHEREAS a cash advance for Bryson McDaniel, Wayne Miller, and Bryan Mims to attend Southeastern Leadership Executive Development, October 31, 2022, in Auburn, Alabama; and


WHEREAS a statement of said expenditures will be presented to the City Clerk immediately upon return, at which time all monies will be balanced.

ADOPTED AND APPROVED this 19th day of September 2022.

Motion was made by Councilmember Cromer, seconded by Councilmember Moye to authorize the mayor to execute a contract with Hoar Program Management, to oversee and manage the Sportsplex project. Motion carried.

There being no further business to come before the Council, motion was made by Councilmember Cromer to adjourn at 6:55 p.m.

ACCEPTED and APPROVED the 22nd day of September 2022.



Joe McDonald, Council President



Judi Smith, City Clerk