

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

RESOLUTION

A resolution declaring the intention of the Council of the City of Hammond, State of Louisiana, acting as the governing authority of the City of Hammond, State of Louisiana (the "City"), to issue in the name of the City, Sewer Revenue Bonds in an amount not to exceed Five Million Dollars (\$5,000,000) for the purpose of constructing and acquiring improvements and replacements to the sewerage system of the Issuer; generally describing said Sewer Revenue Bonds and the security therefor; authorizing the newspaper publication of a notice of such intention setting forth a date and time when said governing authority will meet in open and public session to hear any objections to the proposed issuance of such Bonds; and providing for other matters in connection therewith.

WHEREAS, the City of Hammond, State of Louisiana (the "City"), now owns and operates a sewerage system (the "System") and proposes to construct and acquire improvements and replacements to the System, including equipment; and

WHEREAS, the City proposes to finance the costs thereof through the sale and issuance of not exceeding Five Million Dollars (\$5,000,000) of Sewer Revenue Bonds of the City (the "Bonds"); and

WHEREAS, the City proposes that the Bonds will be issued in the manner prescribed by and under the authority of Part XIII, Chapter 4 and Chapter 13, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, including R.S. 30:2301 *et seq.* (the "Act"); and

WHEREAS, the City has no outstanding indebtedness payable from the revenues of the System; and

WHEREAS, this Council, in accordance with the provisions of the Act, now desires to authorize the giving and publication of notice of intention generally describing the Bonds and the security therefor, setting forth a date and time when they will meet in open and public session to hear any and all objections to the proposed issuance of the Bonds and providing for the filing of a petition by a certain hereinafter described percentage of the electors objecting to the issuance of the Bonds unless an election is held on the question of the issuance thereof;

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Hammond, State of Louisiana (the "Governing Authority"), acting as governing authority of the City of Hammond, State of Louisiana (the "City"), that:

SECTION 1. Pursuant to and in compliance with the provisions of the Act, this Governing Authority does hereby declare its intention to issue not exceeding Five Million Dollars (\$5,000,000) of Sewer Revenue Bonds of the City, all as further described in the Notice of Intention set forth in Section 5 of this resolution.

SECTION 2. The Bonds will be sold at public or private sale, as provided for in the Act and statutory authority supplemental thereto.

SECTION 3. The Bonds shall, before the delivery thereof, be approved by the State Bond Commission, Baton Rouge, Louisiana.

SECTION 4. This Governing Authority will meet in open and public session on **Tuesday, August 20, 2013, at five thirty o'clock (5:30) p.m.**, at the City Council Chambers-Louis Tallo Building, 312 East Charles Street, Hammond, Louisiana, to hear any objections to the proposed issuance of the Bonds; provided, however, if at such hearing a petition duly signed by the electors of the City in a number not less than five percent (5%) of the number of the electors of the City voting in the last special or general election held in the City object to the issuance of the Bonds, then the Bonds shall not be issued until approved by vote of a majority of the qualified electors of the City who vote at a special election held for that purpose in the manner provided by Chapter VI-A, Title 18 of the Louisiana Revised Statutes of 1950, as amended. Any such petition shall be accompanied by a certificate of the Tangipahoa Parish Registrar of Voters certifying that the signers of the petition are registered electors of the City and the number of signers amounts to not less than five percent (5%) of the registered voters that voted in the last election held in the City, all as provided by the Act.

SECTION 5. The Mayor is hereby authorized, empowered and directed to publish an appropriate notice of the intention of the City to issue the Bonds in accordance with the provisions of this resolution and the Act. Such notice of intention shall embody in a general way substantially all the provisions of this resolution hereinabove set out and shall be published in four (4) consecutive weekly issues of "*The Daily Star*", a newspaper of general circulation in the City and published therein, and shall be in substantially the following form:

**NOTICE OF INTENTION TO ISSUE NOT EXCEEDING  
\$5,000,000 OF SEWER REVENUE BONDS  
OF THE CITY OF HAMMOND, STATE OF LOUISIANA**

PUBLIC NOTICE IS HEREBY GIVEN, pursuant to and in compliance with the provisions of Part XIII, Chapter 4 and Chapter 13, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, including R.S. 30:2301 *et seq.* (the "Act"), the Council of the City of Hammond, State of Louisiana (the "Governing Authority"), acting as the governing authority of the City of Hammond, State of Louisiana (the "City"), does hereby declare its intention to issue not exceeding Five Million Dollars (\$5,000,000) of Sewer Revenue Bonds of the City, the proceeds of which will be used for constructing and acquiring improvements and replacements to the sewerage system of the City, including equipment. The Bonds shall be limited and special revenue bonds of the City, secured by and payable in principal, interest and redemption premium, if any, solely from the income and revenues derived or to be derived by the City from the operation of its sewerage system (the "System"), after paying the reasonable and necessary expenses of operating and maintaining the System. The Bonds shall not be a charge on the other income and revenues of the City as prohibited under the provisions of Article 6, Section 37 of the Louisiana Constitution of 1974, nor shall they constitute and indebtedness or pledge of the general credit of the City. The Bonds will be exempt from all income taxation in the State of Louisiana and will be authorized and issued by ordinance of the Governing Authority. The Bonds shall bear such date, mature at such time or times (not to exceed twenty-two [22] years from their date of issuance), be sold at par, bear interest at such rate or rates (not exceeding ninety five-hundredths of one percent per centum [0.95%] per annum) (which includes any administrative fee on the outstanding principal amount of the Bonds), be in such denomination or denominations, in fully registered form, carry such registration privileges, be payable in such medium of payment and at such place or places, be subject to such terms of redemption and be entitled to such priorities on the income and revenues of the System as such ordinance may provide.

The Governing Authority will, in such ordinance, enter into such covenants with the future owner or owners of the Bonds as to the management and operation of the System, the imposition and collection of rates and charges for the services rendered thereby, the disposition of such fees and revenues, the issuance of future bonds and the creation of future liens and encumbrances against the System and the revenues therefrom, the carrying of insurance on the System and the disposition of the proceeds of insurance, the keeping of books and records, and other pertinent matters as may be deemed proper by the City to assure the marketability of the Bonds, consistent with the provisions of the Act. Such ordinance will also include remedies in case of default, provision for the issuance of parity bonds, and such additional covenants, agreements and provisions as are judged advisable or necessary by the City for the security of the Bonds, including a sinking fund and a reserve fund for the payment of principal and interest on the Bonds and an adequate depreciation fund for those repairs, replacements and improvements to the System as may be necessary to assure adequate an efficient service to the public, all as provided by the Act.

NOTICE IS HEREBY FURTHER GIVEN that the Bonds will be sold at public or private sale, as provided for in the Act and statutory authority supplemental thereto.

NOTICE IS HEREBY FURTHER GIVEN that the Bonds will, before the delivery thereof, be approved by the State Bond Commission, Baton Rouge, Louisiana.

NOTICE IS HEREBY FURTHER GIVEN that the Council, acting as the governing authority of the City, will meet in open and public session on **Tuesday, August 20, 2013, at five thirty o'clock (5:30) p.m.**, at the City Council Chambers-Louis Tallo Building, 312 East Charles Street, Hammond, Louisiana, to hear any objections to the proposed issuance of the Bonds; provided, however, if at such hearing a petition duly signed by electors of the City in a number not less than five percent (5%) of the number of the electors of the City voting in the last special or general election held in the City object to the issuance of the Bonds, then the Bonds shall not be issued until approved by a vote of a majority of the qualified electors of the City who vote at a special election held for that purpose in the manner provided by Chapter VI-A, Title 18 of the Louisiana Revised Statutes of 1950. Any such petition shall be accompanied by a certificate of the Tangipahoa Parish Registrar of Voters certifying that the signers of the petition are registered electors of the City and the number of signers amounts to not less than five percent (5%) of the registered voters that voted in the last election held in the City, all as provided by the Act.

THUS DONE AND SIGNED at Hammond, Louisiana, on this, the 16<sup>th</sup> day of July, 2013.

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Mayor

ATTEST:

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Clerk of the Council

SECTION 6. Prior to the issuance of the Bonds, the City anticipates that it may pay a portion of the costs of acquiring and constructing improvements and replacements to the System, including appurtenant equipment and furnishings therefor, and costs related thereto, from the general fund, sewer revenue fund, or other available funds in an amount not exceeding the total cost thereof. Upon issuance of the Bonds, the Issuer reasonably expects to reimburse said expenditures from the proceeds of the Bonds. Any such allocation of the proceeds of the Bonds for reimbursement will be with respect to capital expenditures [as defined in Treasury Regulation 1.150-1(b)] and will be made upon the delivery of the Bonds and not later than one year after the date of (i) the date such expenditure was made or (ii) the date the improvements were placed in service. This resolution is intended to be a declaration of intent to reimburse in accordance with the provisions of Treasury Regulation 1.150-2.

SECTION 7. This Governing Authority finds and determines that a real necessity exists for the employment of special counsel in connection with the issuance of the Bonds, and accordingly, Foley & Judell, LLP, of New Orleans, Louisiana, as Bond Counsel, is hereby employed to do and perform work of a traditional legal nature as bond counsel with respect to the issuance and sale of said Bonds. Said Bond Counsel shall prepare and submit to this Governing Authority for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of such Bonds, shall counsel and advise this Governing Authority as to the issuance thereof and shall furnish their opinions covering the legality of the issuance of the Bonds. The fee of Bond Counsel for each series of said bonds shall be fixed at a sum not exceeding the fee allowed by the Attorney General's fee guidelines for such bond counsel work in connection with the issuance of each such series of revenue bonds and based on the amount of said bonds actually issued, sold, delivered and paid for, plus "out-of-pocket" expenses, said fees to be contingent upon the issuance, sale and delivery of said bonds. A certified copy of this resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment and of the fees herein designated, and the Council Clerk is hereby empowered and directed to issue vouchers in payment for the work herein provided for upon completion of the work herein specified and under the conditions herein enumerated.

SECTION 8. Application is hereby made to the State Bond Commission for consent and authority for the City, to issue, sell and deliver the Bonds, all in the manner provided by Part XIII, Chapter 4 and Chapter 13, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, including La. R.S. 30:2301 *et seq.*, for the purpose of paying the cost of constructing and acquiring improvements and replacements to the System, including equipment, a work of public improvement for the Issuer. The Bonds will mature over a period not exceeding twenty-two (22) years and will bear interest at a rate or rates not exceeding ninety-five hundredths of one percent (0.95%) per annum (which includes any administrative fee) and will be sold at par. The Bonds shall be secured by and payable in principal and interest solely from the income and revenues derived or to be derived by the

City from the operation of the System, after paying the reasonable and necessary expenses of operating and maintaining the System.

SECTION 8. By virtue of Issuer=s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission=s approval(s) resolved and set forth herein, the Issuer resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms Derivative Products Hedges, Etc.", adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Johnny Blount	_____	_____	_____	_____
Jason Hood	_____	_____	_____	_____
Bobby Martin	_____	_____	_____	_____
Lemar Marshall	_____	_____	_____	_____
Michael Williams	_____	_____	_____	_____

And the resolution was declared adopted on this, the 16<sup>th</sup> day of July, 2013.

\_\_\_\_\_  
Clerk of the Council

\_\_\_\_\_  
Mayor

STATE OF LOUISIANA

PARISH OF TANGIPAHOA

I, the undersigned Clerk of the Council of the City of Hammond, State of Louisiana (the "City"), do hereby certify that the foregoing pages constitute a true and correct copy of the resolution taken by the Council of the City on July 16, 2013, declaring the intention of the Council of the City of Hammond, State of Louisiana, acting as the governing authority of the City of Hammond, State of Louisiana, to issue in the name of the City, Sewer Revenue Bonds in an amount not to exceed Five Million Dollars (\$5,000,000) for the purpose of constructing and acquiring improvements and replacements to the sewerage system of the Issuer; generally describing said Sewer Revenue Bonds and the security therefor; authorizing the newspaper publication of a notice of such intention setting forth a date and time when said governing authority will meet in open and public session to hear any objections to the proposed issuance of such Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 16<sup>th</sup> day of July, 2013.

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Clerk of the Council