



RESOLUTION OF THE HAMMOND CITY COUNCIL

NO. _____

A resolution (1) declaring the City of Hammond's intention to issue Sewer Revenue Bonds, in one or more series, in an amount not to exceed \$2.1 million for the purpose of paying a portion of the cost of acquiring and constructing additions, extensions, and improvements to the City's wastewater collection, treatment, and disposal system; and (2) providing for other matters in connection therewith.

WHEREAS, the City of Hammond ("City") now owns and operates a wastewater collection, treatment, and disposal system ("System") as a revenue-producing work of public improvement;

WHEREAS, the Hammond City Council ("Council"), as the governing authority of the City, proposes that Sewer Revenue Bonds will be issued by the City in the manner prescribed by and under the authority of Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable laws, constitutional or statutory authority, and regulations ("Act") payable solely from the income and revenues of the System, subject to the prior payment of the reasonable and necessary expenses of operating and maintaining the System; and

WHEREAS, the Council now desires to give notice of intention pursuant to the Act to issue \$2.1 million of Sewer Revenue Bonds to finance improvements to the System.

NOW, THEREFORE BE IT RESOLVED THAT THE CITY OF HAMMOND HEREBY

SECTION 1. Intent to Issue Revenue Bonds. Pursuant to and in compliance with the provisions of the Act, this Council does hereby declare the City's intention to issue Sewer Revenue Bonds ("Bonds") in the name of the City, in one or more series, and in an amount not to exceed \$2.1 million, the proceeds of which will be used to pay a portion of the cost of acquiring and constructing additions, extensions, and improvements to the City's wastewater collection, treatment, and disposal system, including equipment and fixtures ("Project").

All of 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 the System after paying the reasonable and necessary expenses of operating and maintaining the System and shall be issued on a complete parity with the City's outstanding Taxable Sewer Revenue Bond, Series 2013. The Bonds shall not be a charge on the other income and revenues of the City as prohibited under the provisions of Article VI, Section 37 of the Louisiana Constitution of 1974, nor shall they constitute an indebtedness or pledge of the general credit of the City. The Bonds shall be of such series, bear such dates, mature at such time or times, not to exceed 22 years from their date of issuance, bear interest at such rate or rates not exceeding 0.95% per annum, be sold at such price or prices, be in such denomination or denominations, be 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 the City may provide by ordinance(s) adopted at the time or times of issuance of the Bonds.

The City will, in such ordinance(s), 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 this Council to assure the marketability of the Bonds consistent with the provisions of the Act. Such ordinance(s) 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 registered owners of the Bonds, including sinking funds and reserves for the payment of principal and interest on the Bonds and

an adequate depreciation fund for those repairs, extensions, and improvements to the System as may be necessary to assure adequate and efficient service to the public, all as provided by the Act.

SECTION 2. Sale of Bonds. The Bonds are expected to be sold at a private sale to the Clean Water State Revolving Fund and may be issued and sold in installments as needed, all as provided for in the Act.

SECTION 3. Public Hearing. This Governing Authority will meet in open and public session **TUESDAY, JULY 10, 2018, at 5:30 P.M.** at the Hammond City Council Chambers, 312 East Charles Street, Hammond, Louisiana, or at an earlier or later regular or special meeting of the Council to be determined by the Mayor and Council, in consultation with the City Attorney and duly advertised in the manner provided by law, to hear any objections to the proposed issuance of the Bonds; provided, however, if at such hearing a petition or petitions duly signed by the electors of the City in an aggregate number not less than 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 shall vote at a special election held for that purpose in the manner provided by Chapter 6-B, 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 5% of the registered voters that voted in the last election held in the City, all as provided by the Act.

SECTION 4. Notice of Intention. The City 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 be published in 4 consecutive weekly issues of the official journal of the City and shall be in substantially the following form, with any such changes as may be necessary upon the advice of the Special Bond Counsel:

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**NOTICE OF INTENT
TO ISSUE SEWER REVENUE BONDS
IN AN AMOUNT NOT TO EXCEED \$2,100,000
CITY OF HAMMOND, STATE OF LOUISIANA**

As provided by a resolution adopted June 12, 2018 by the Hammond City Council ("Council") acting as the governing authority of the City of Hammond, State of Louisiana ("City"), the City HEREBY DECLARES ITS INTENTION to issue up to \$2.1 million of Sewer Revenue Bonds ("Bonds") for the purpose of paying a portion of the cost of acquiring and constructing additions, extensions, and improvements to the City's wastewater collection, treatment, and disposal system ("System"), including equipment and fixtures.

The Bonds will be limited and special revenue bonds of the City, secured by and payable solely from the revenues of the System after there have been paid from those revenues the reasonable and necessary expenses of operating and maintaining the System and shall be issued on a complete parity with the City's outstanding Taxable Sewer Revenue Bonds, Series 2013, which mature in installments on October 1 of the years 2018 through 2034, inclusive. The Bonds will not be a charge on the other income and revenues of the City, nor shall they constitute an indebtedness or pledge of the general credit of the City. The Bonds will be issued pursuant to Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other applicable laws, constitutional or statutory authority, and regulations ("Act").

The Bonds will be issued and authorized by ordinance(s) adopted by the Council in one or more series, will mature up to 22 years from their date of issuance, will bear interest at rates up to 0.95% per annum, and will be subject to prepayment anytime without penalty. Proceeds of the Bonds may also be used to pay costs of issuance of the Bonds.

As provided by the Act, all of the other details of the Bonds will be set forth in the ordinance(s) authorizing their issuance, including the following: covenants relating to the management and operation of the System, the imposition and collection of rates and charges from the System's customers, the expenditure of such rates and charges, the issuance of future bonds and the creation of future liens and encumbrances against the System, and all other pertinent matters as may be necessary to the authorization and issuance of the Bonds.

The Bonds are expected to be sold at a private sale, as provided for in the Act, to the Clean Water State Revolving Fund, and the Bonds will also be approved by the State Bond Commission prior to their delivery.

THE PUBLIC IS HEREBY NOTIFIED that the Council will meet in open and public session **TUESDAY, JULY 10, 2018, at 5:30 P.M.** at the City Council Chambers, 312 East Charles Street, Hammond, Louisiana, to hear any objections to the proposed issuance of the Bonds. If at such hearing a petition duly signed by electors of the City in a number not less than 5% of the number of such electors voting in the last special or general election object to the issuance of the Bonds, then the Bonds shall not be issued until approved at an election held for that purpose. Any such petition must be accompanied by a certificate of the Tangipahoa Parish Registrar of Voters certifying that the signers of the petition(s) are registered electors of the City and the number of signers amounts to not less than 5% of the registered voters that voted in the last tax election held in the City, all as provided by the Act.

CITY OF HAMMOND
STATE OF LOUISIANA

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SECTION 5. Louisiana State Bond Commission. Application is hereby made to the Louisiana State Bond Commission ("Commission"), Baton Rouge, Louisiana, for approval of Sewer Revenue Bonds in an amount not to exceed \$2.1 million, to mature on or before 22 years from the date thereof and to bear interest at a rate not to exceed 0.95% per annum, as described above. The Special Bond Counsel to the Louisiana Department of Environmental Quality ("LDEQ") named in Section 6 below is requested to submit a certified copy of this resolution to the Commission together with a request of the City for prompt consideration and approval of the City's application for final approval of the Bonds.

By virtue of the City's application for and acceptance and utilization of the benefits of the Commission's approval(s) resolved and set forth herein, the Council resolves that the City understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees, and binds itself and 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 of Derivative Products Hedges, Etc.", adopted by the Commission 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.

SECTION 6. Special Bond Counsel. It is understood that Adams and Reese LLP, Special Bond Counsel of New Orleans, Louisiana, as counsel to the LDEQ, shall prepare and submit to this Council for adoption all of the proceedings incidental to the authorization, issuance, sale, and delivery of the Bonds, shall coordinate with and advise this Council and the City Attorney as to the issuance and sale of the Bonds, and shall furnish their opinion covering the legality of the issuance thereof, and, if applicable, the tax-exempt status of the Bonds. The fee of the Special Bond Counsel in connection with the issuance of the Bonds is hereby fixed at a sum which shall be in accordance with the Attorney General's fee schedule for revenue bonds based on the principal amount of the Bonds actually issued, sold, delivered, and paid for plus "out-of-pocket" expenses; provided, however, that said fee shall be contingent upon the sale, issuance, and delivery of the Bonds.

This Council acknowledges that Adams and Reese LLP is representing only LDEQ in connection with the issuance of the Bonds and that the City Attorney shall be the City's sole counsel in connection with the issuance of the Bonds.

Approved and adopted this _____ day of _____, 20_____.

I, the undersigned Clerk of the Council, hereby certify that the foregoing Resolution was duly adopted by the Hammond City Council following roll call vote:

Yeas: ____ Nays: ____ Absent: ____

Tonia Banks
Hammond City Council Clerk

Johnny Blount
Hammond City Council President