

**ORDINANCE NO. 2019-007-ADM**

**AN ORDINANCE TO AMEND THE CITY'S  
\$6,000,000 GENERAL OBLIGATION WARRANT**

**BE IT ORDAINED** by the City Council of the City of Trussville, Alabama (the "Council"), a municipal corporation under the laws of the State of Alabama (the "City"), as follows:

**Section 1.1 Initial Findings.** (a) The City heretofore adopted at a public meeting of the Council on December 13, 2016, Ordinance No. 2016-035-ADM (the "Prior Ordinance"), pursuant to which the City authorized the issuance of a General Obligation Warrant in a principal amount of not to exceed \$6,000,000 to evidence the obligation of the City to repay sums advanced by First Commercial Bank, a Division of Synovus Bank (the "Lender"), to cover the costs of various public capital improvements in the City (the "2016 Warrant").

(b) The 2016 Warrant was originally issued with a maturity date of two years from its December 28, 2016 original issuance date (*i.e.* December 28, 2018), and the City and the Lender have determined to extend such maturity by two years to December 28, 2020.

**Section 1.2 Amendment of Prior Ordinance.** (a) Section 2 of the Prior Ordinance is hereby deleted in its entirety, and the following shall be substituted therefor:

"Section 2. Authorization. Pursuant to the provisions of Section 11-47-2 of the Code of Alabama 1975, as amended, for the purpose of providing funds to pay the costs described in Section 1(b) hereof, the City is hereby authorized to borrow from Synovus Bank, a Georgia state banking corporation (formerly known as First Commercial Bank, a division of Synovus Bank) (together with its successors or assigns, herein sometimes called the "Bank"), not exceeding the principal sum of \$6,000,000 and, in evidence of the money so borrowed, is authorized to issue and deliver to the Bank its General Obligation Warrant (herein called the "Warrant") in the principal amount of \$6,000,000. The Warrant shall be dated the date of its issuance (which shall be a date agreeable to both the City and the Bank without regard as to whether any funds are borrowed or advanced on such date), shall be payable to the Bank or registered assigns, shall mature and come due (as to principal and any accrued but unpaid interest) on December 28, 2020, and shall be payable at the office of the Bank in Birmingham, Alabama. The principal shall bear interest from the date of each advance, payable on the first business day of each calendar month and at maturity, at a per annum rate equal to LIBOR plus 195 basis points, calculated on the basis of a 360-day year, applied to the actual number of days upon which principal is outstanding, by multiplying the product of the principal amount and the applicable rate by the actual number of days elapsed, and dividing by 360; provided, however, anything herein to the contrary notwithstanding, the interest rate borne by the Warrant shall never be less than 2% per annum. The interest rate is subject to change from time to time based on changes in an independent index (the "Index") which is the average of 30-day London Interbank Offered Rates ("LIBOR") as quoted by the ICE Benchmark Administration Limited (or any successor thereto approved by Bank if the ICE Benchmark Administration Limited is no longer providing quotes for the one month London Interbank Offered Rate) for deposits in Dollars for a one month period, as published by Bloomberg (or such other commercially available source providing such quotations as may be designated by Bank from time to time, at approximately 8:00 a.m. Birmingham, Alabama time on the last business day of each

calendar month, with an effective date of the first calendar day of the following month (such effective date for the initial index of the Warrant to serve further as the commencement date of the initial rate change period identified below); provided, however, that in no instance shall LIBOR be less than zero. The City understands that the Bank may make loans based on other rates and indexes as well. If the Index becomes unavailable during the term of this loan, the Bank may designate a substitute index after notice to the City. The Bank will advise the City of the current index rate upon the City's request. The interest rate on the Warrant will not change more often than each calendar month. Further, under no circumstances shall the interest rate on the Warrant be more than the maximum rate allowed by applicable law."

(b) The form of 2016 Warrant contained in Section 6 of the Prior Ordinance is hereby deleted in its entirety and substituted with the form of warrant set forth as Exhibit A hereto (the "Amended and Restated Warrant"). The Amended and Restated Warrant, in the form set forth as Exhibit A hereto, shall be executed by the Mayor, and the seal of the City shall be affixed thereto and attested by the City Clerk, and the same shall be delivered to the Lender in exchange for the 2016 Warrant, and, except as specifically set forth herein respecting the maturity date thereof, shall be treated in all respects as the Warrant (as such term is used in the Prior Ordinance) issued under the Prior Ordinance. The Mayor is hereby authorized and directed to execute such documents or certificates as may be necessary or desirable in order to carry out the transactions contemplated by this ordinance. The City Clerk is hereby authorized to attest the Warrant and any such other documents or certificates necessary or desirable to carry out the transactions contemplated by this ordinance, and is authorized to affix the seal of the City to any such documents or certificates.

**Section 1.3 Additional Documents Authorized.** The Mayor is hereby authorized and directed to execute such documents or certificates as may be necessary or desirable in order to carry out the transactions contemplated by this ordinance. The City Clerk is hereby authorized to attest any and all warrants, documents or certificates necessary or desirable to carry out the transactions contemplated by this ordinance and is authorized to affix the seal of the City to any such warrants, documents or certificates.

ADOPTED this 22nd day of January, 2019.

  
\_\_\_\_\_  
Council President

ATTEST:

  
\_\_\_\_\_  
City Clerk

APPROVED this 22nd day of January, 2019.



---

Mayor

Councilmember Taylor moved for immediate consideration of and action on the said ordinance, which motion was seconded by Councilmember Cook and, upon the same being put to vote, the following vote was recorded:

<b>YEAS</b>	<b>NAYS</b>
Council President Freeman	None
Councilman Cook	
Councilman Plant	
Councilman Steele	
Councilman Taylor	

The President thereupon declared that the motion for unanimous consent for immediate consideration of and action on the said ordinance had been unanimously carried.

Councilmember Taylor thereupon moved that the foregoing ordinance be adopted, which motion was seconded by Councilmember Plant and, upon the same being put to vote, the following vote was recorded:

<b>YEAS</b>	<b>NAYS</b>
Council President Freeman	None
Councilman Cook	
Councilman Plant	
Councilman Steele	
Councilman Taylor	

The President thereupon announced that the motion for the adoption of the said ordinance had been unanimously carried.

There being no further business to come before the meeting, the same was, on motion duly made, seconded and unanimously carried, adjourned.

/s/Lynn Porter  
City Clerk

---

\* \* \*