

ORDINANCE NO. 2021-006 -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, as amended by Ordinance No. 2019-007-ADM adopted at a public meeting of the Council on January 22, 2019 (the "Prior Ordinance") pursuant to which the City authorized the issuance of a General Obligation Warrant dated as of December 28, 2016 (the "2016 Warrant"), as amended and restated by the Amended and Restated General Obligation Warrant dated as of January 31, 2019 (the "2019 Warrant"; together with the 2016 Warrant, the "Warrant") in a principal amount of not to exceed \$6,000,000 to evidence the obligation of the City to repay sums advanced by Synovus Bank, a Georgia state banking corporation (formerly First Commercial Bank, a Division of Synovus Bank) (the "Lender"), to cover the costs of various public capital improvements in the City.

(b) The 2019 Warrant was originally issued with a maturity date of December 28, 2020, and the City and the Lender have determined to extend such maturity by twenty-eight (28) months to April 28, 2023.

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 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 April 28, 2023, 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 2.85% 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 set forth by Reuters, Bloomberg or any other service selected by the Bank that has been nominated by the British Bankers' Association as an authorized information vendor for the purpose of displaying such rate 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 2019 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 "Second Amended and Restated Warrant"). The Second 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 2019 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 AND APPROVED THIS THE 21ST DAY OF JANUARY, 2021

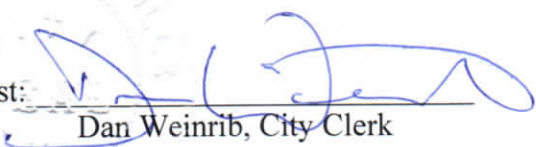


Alan Taylor, Council President



Buddy Choat, Mayor

Attest:



Dan Weinrib, City Clerk

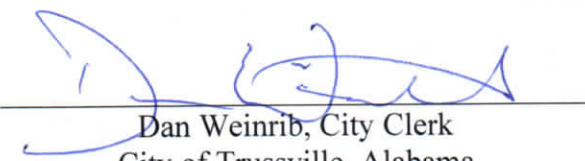
CERTIFICATION

I, Dan Weinrib, City Clerk of the City of Trussville, Alabama do hereby certify that this is a true and correct copy of Ordinance Number 2021-006-ADM of the City of Trussville, Alabama, adopted on January 21, 2021, and posted in the following places:

Trussville City Hall
Trussville Public Library
Trussville Civic Center

on January 22, 2021, and effective five days thereafter.

Given under my hand and seal this 22nd day of January, 2021.



Dan Weinrib, City Clerk
City of Trussville, Alabama

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