

**ST. TAMMANY PARISH COUNCIL**

**RESOLUTION**

RESOLUTION COUNCIL SERIES NO. C-1682

COUNCIL SPONSOR STEFANCIK/DAVIS PROVIDED BY BOND COUNSEL

A RESOLUTION AUTHORIZING THE ADVERTISING FOR SEALED BIDS FOR THE PURCHASE OF FIFTY MILLION DOLLARS (\$50,000,000) OF SALES TAX BONDS, SERIES 2006, OF SALES TAX DISTRICT NO. THREE OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

THE PARISH OF ST. TAMMANY HEREBY RESOLVES THAT:

SECTION 1. Under the authority of Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, approval is hereby given to the issuance by the Parish Council of the Parish of St. Tammany, State of Louisiana (the "Governing Authority"), acting as the Governing Authority of Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "Issuer"), of Fifty Million Dollars (\$50,000,000) of Sales Tax Bonds, Series 2006 of the Issuer (the "Bonds"), for the purposes of constructing, acquiring, extending and/or improving (i) roads, streets and bridges and/or (ii) drains and drainage facilities, including acquiring all necessary land, equipment and furnishings for any of said public works, improvements and facilities. The Bonds shall be dated June 1, 2006, shall mature as hereinafter provided, shall bear interest at rates not to exceed seven percentum (7%) per annum, and shall be payable from and secured by an irrevocable pledge and dedication of the net avails or proceeds (the "Net Revenues of the Tax") of the Issuer's two percent (2%) sales and use tax approved at elections held on November 4, 1986 and July 16, 2005 (the "Tax"), now being levied and collected by the Issuer, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the Tax.

SECTION 2. The Parish President is hereby authorized, empowered and directed to advertise in accordance with the provisions of law for sealed bids for the purchase of the Bonds described above. The Bonds will be in the denomination of Five Thousand Dollars (\$5,000) each, or any integral multiple thereof within a single maturity, and will bear interest from date thereof, or the most recent interest payment date to which interest has been paid or duly provided for, at a rate or rates not exceeding seven per centum (7%) per annum on any Bond in any interest payment period, said interest to be payable on December 1, 2006, and semiannually thereafter on June 1 and December 1 of each year. The Bonds will mature serially on June 1 of each year as follows, to-wit:

<u>Year</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount</u>
2007	\$1,005,000	2020	\$1,970,000
2008	1,060,000	2021	2,070,000
2009	1,115,000	2022	2,180,000
2010	1,175,000	2023	2,295,000
2011	1,235,000	2024	2,420,000
2012	1,305,000	2025	2,545,000
2013	1,370,000	2026	2,680,000
2014	1,445,000	2027	2,820,000
2015	1,520,000	2028	2,970,000
2016	1,600,000	2029	3,130,000
2017	1,685,000	2030	3,295,000
2018	1,775,000	2031	3,465,000
2019	1,870,000		

SECTION 3. The Bonds maturing June 1, 2017, and thereafter, will be callable for redemption by the Issuer in full or in part at any time on or after June 1, 2016, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption, plus a premium (expressed as a percentage of the principal to be redeemed), as follows:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Premium</u>
June 1, 2016 to May 31, 2017	1%
June 1, 2017 to May 31, 2018	1/2%
June 1, 2018 and thereafter	0%

In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent.

SECTION 4. The Bonds shall be sold in the manner required by law, and in accordance with the terms of this resolution, the official Notice of Bond Sale herein set forth, and the Official Statement referred to hereinbelow. In advertising the Bonds for sale, the Governing Authority shall reserve the right to reject any and all bids received.

SECTION 5. The Parish President is hereby further empowered, authorized and directed to issue a Notice of Bond Sale and cause the same to be published as required by law, which Notice of Bond Sale shall be in substantially the following form:

**OFFICIAL  
NOTICE OF BOND SALE**

**\$50,000,000 OF SALES TAX BONDS, SERIES 2006  
OF  
SALES TAX DISTRICT NO. THREE OF THE  
PARISH OF ST. TAMMANY, STATE OF LOUISIANA**

**Sealed bids or electronic bids via PARITY®  
will be received until 6:00 o'clock p.m., Central Time (Louisiana Time), on  
Thursday, May 4, 2006**

NOTICE IS HEREBY GIVEN that the Parish Council (the "Governing Authority") of the Parish of St. Tammany, State of Louisiana, acting as the Governing Authority of Sales Tax District No. Three of the Parish of St. Tammany, State of Louisiana (the "Issuer"), will receive sealed bids or electronic bids via PARITY® at the Highway 59 Complex, 21490 Koop Drive, Mandeville, Louisiana, **until six (6:00) o'clock p.m., Louisiana Time, Central Time, on Thursday, May 4, 2006** (or such other date as may be determined by the Parish President and advertised by Munifacts Disclosure Service), for the purchase of Fifty Million Dollars (\$50,000,000) of Sales Tax Bonds, Series 2006 (the "Bonds") of the Issuer, for the purposes of constructing, acquiring, extending and/or improving (i) roads, streets and bridges and/or (ii) drains and drainage facilities, including acquiring all necessary land, equipment and furnishings for any of said public works, improvements and facilities, pursuant to Sub-Part F, Part III, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, and shall be payable from and secured by an irrevocable pledge and dedication of the net avails or proceeds (the "Net Revenues of the Tax") of the Issuer's two percent (2%) sales and use tax approved at elections held on November 4, 1986 and July 16, 2005 (the "Tax"), now being levied and collected by the Issuer, subject only to the prior payment of the reasonable and necessary costs and expenses of collecting and administering the Tax.

**Electronic bids will be received for the Bonds via PARITY®, in the manner described below, until 6:00 p.m., Louisiana time, on Thursday, May 4, 2006.**

Bids may be submitted electronically via PARITY® pursuant to this Official Notice of Bond Sale until 6:00 p.m., Louisiana time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Bond Sale, the terms of this Official Notice of Bond Sale shall control. For further information about PARITY®, potential bidders may contact PARITY® at I-Deal (212) 849-5021.

Each prospective electronic bidder shall be solely responsible to register to bid via PARITY® as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY® for the purposes of submitting its bid in a timely manner and in compliance with the requirements of the Notice of Sale. Neither the Issuer nor PARITY®, shall have any duty or obligation to provide or assure access to PARITY® to any prospective bidder, and neither the Issuer nor PARITY® shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Issuer is using PARITY® as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. No other form of electronic bid or provider of electronic bidding services will be accepted. The Issuer is not bound by any advice and determination of PARITY® to the effect that any

particular bid complies with the terms of this Official Notice of Bond Sale and in particular the "Bid Requirements" hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via PARITY® are the sole responsibility of the bidders; and the Issuer is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying or withdrawing a bid for the Bonds, he should telephone PARITY® at I-Deal (212) 849-5021 and notify the Issuer's Bond Counsel, Foley & Judell, L.L.P. at (504) 568-1249.

Electronic bids must be submitted for the purchase of the Bonds via PARITY®. Bids will be communicated electronically to the Issuer at 6:00 p.m., local Louisiana time, on May 4, 2006. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid via PARITY®, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds, or (3) withdraw its proposed bid. Once the bids are communicated electronically via PARITY® to the Issuer, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on PARITY® shall constitute the official time.

**Bids will also be accepted in written form on the Official Bid Form.** The Issuer will receive sealed bids at the Highway 59 Complex, 21490 Koop Drive, Mandeville, Louisiana, for the purchase of \$50,000,000 of principal amount of Sales Tax Bonds, Series 2006 of Sales Tax District Number Three of the Parish of St. Tammany, State of Louisiana. Each bid must be in written form on the Official Bid Form in a sealed envelope marked "Proposal for the Purchase of Sales Tax Bonds, Series 2006 of Sales Tax District Number Three of the Parish of St. Tammany, State of Louisiana". For purposes of accepting written bids, the time as maintained on PARITY® shall constitute the official time.

The Bonds will be in fully registered form, will be dated June 1, 2006, and will be in the denomination of Five Thousand Dollars (\$5,000) each, or any integral multiple thereof within a single maturity. The Bonds will bear interest from date thereof or the most recent interest payment date to which interest has been paid or duly provided for, at a rate or rates not exceeding seven per centum (7%) per annum on any Bond in any interest payment period, said interest to be payable on December 1, 2006, and semiannually thereafter on June 1 and December 1 of each year. The Bonds will mature serially on June 1 of each year as follows, to-wit:

<u>Year</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount</u>
2007	\$1,005,000	2020	\$1,970,000
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2015	1,520,000	2028	2,970,000
2016	1,600,000	2029	3,130,000
2017	1,685,000	2030	3,295,000
2018	1,775,000	2031	3,465,000
2019	1,870,000		

The Bonds will be issued as fully registered bonds in "book-entry only" form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the bonds, and purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased.

The Bonds maturing June 1, 2017, and thereafter, will be callable for redemption by the Issuer in full or in part, at any time on or after June 1, 2016, and if less than a full maturity, then by lot within such maturity, at the principal amount thereof and accrued interest to the date fixed for redemption, plus a premium (expressed as a percentage of the principal to be redeemed), as follows:

<u>Redemption Period</u> <u>(both dates inclusive)</u>	<u>Redemption</u> <u>Premium</u>
June 1, 2016 to May 31, 2017	1%
June 1, 2017 to May 31, 2018	1/2%
June 1, 2018 and thereafter	0%

In the event a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Official notice of such call of any of the Bonds for redemption will be given by first class mail, postage prepaid, by notice deposited in the United States mails not less than thirty (30) days prior to the redemption date addressed to the registered owner of each bond to be redeemed at his address as shown on the registration books of the Paying Agent.

The principal of the Bonds, upon maturity or redemption, will be payable at the principal corporate trust office of the Paying Agent upon presentation and surrender thereof, and interest on the Bonds will be payable by the Paying Agent by check mailed by the Paying Agent to the registered owner (determined as of the 15th calendar day of the month next preceding said interest payment date) at the address as shown on the books of said Paying Agent. Said Paying Agent will be a qualified bank or trust company selected by the Issuer.

Except as provided under DTC's book-entry only system, the Bonds may be transferred, registered and assigned only on the registration books of the Paying Agent, and such registration shall be at the expense of the Issuer. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond or Bonds will be delivered by the Paying Agent to the last assignee (the new registered owner) in exchange for such transferred and assigned Bonds after receipt of the Bonds to be transferred in proper form. Such new Bond or Bonds must be in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Neither the Issuer nor the Paying Agent shall be required to issue, register, transfer or exchange (i) any Bond during a period beginning at the opening of business on the 15th day of the month next preceding an interest payment date and ending at the close of business on the interest payment date, or (ii) any Bond called for redemption prior to maturity during a period beginning at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of such Bonds and ending on the date of such redemption.

Each bid submitted, whether submitted as a sealed bid or electronically, must be for the entire issue of Bonds, and must be accompanied by a deposit (the "Deposit") as follows: (i) a certified or cashier's check on any member of the Federal Reserve System, or (ii) a Financial Surety Bond, in the amount of Five Hundred Thousand Dollars (\$500,000) made payable to the Issuer as a guarantee that the bidders will comply with the terms of their bids. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Louisiana, and such Financial Surety Bond must be submitted to the Governing Authority or its Bond Counsel by 9:00 a.m., Louisiana (Central) time, on the sale day. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the Bonds are awarded to a bidder utilizing a Financial Surety Bond, then that purchaser is required to submit its Deposit to the Issuer in the form of a wire transfer not later than 3:30 p.m., Louisiana (Central) time, on the day following the award. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Issuer to satisfy the Deposit requirement. The Deposits of the unsuccessful bidder or bidders will be returned promptly, and the Deposit of the successful bidder or bidders will be deposited and the proceeds credited against the purchase price of the Bonds, or in the case of neglect or refusal to comply with such bid, will be forfeited to the Issuer as and for liquidated damages. No interest will be allowed on the amount of the Deposit.

Bidders shall name the rate or rates of interest the Bonds shall bear, not exceeding seven per centum (7%) per annum on any Bond in any interest payment period, to be expressed in a multiple of 1/20th or 1/8th of 1% per annum. Bids must stipulate a purchase price for the Bonds of the par value thereof and accrued interest from the date of the Bonds to the date of delivery of the Bonds. No bid which specifies cancellation of the Bonds will be considered. No bids providing for additional or supplemental interest will be considered.

The Governing Authority will meet at the place and time hereinabove set forth for the receipt of bids. The Bonds will be awarded to the bidder whose bid offers the lowest "true interest cost" to the Issuer for the full authorized amount of the Bonds, to be determined by doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments on the Bonds from the payment dates to June 1, 2006, such that the sum of such present values is equal to the price bid, including any premium bid but not including interest accrued to the date of delivery (the preceding calculation is sometimes referred to as the "Canadian Interest Cost Method" or "Present Value Method"). In the case of a tie bid, the winning bid will be awarded by lot. If any bid for the Bonds shall be acceptable, a prompt award of the bonds will be made. The

right is expressly reserved to waive any irregularity in any bid or to reject any and all bids received.

It shall be the obligation of the successful bidder to furnish in writing to the Issuer's Bond Counsel, referenced below, the reoffering yields within three (3) business days after the date of the sale and the initial public offering prices of the Bonds not less than ten (10) business days prior to delivery of the Bonds.

The Official Statement containing pertinent information relative to the authorization, sale and security of the Bonds is being prepared and may be obtained upon its completion from the Issuer's Bond Counsel, Foley & Judell, L.L.P., One Canal Place, Suite 2600, 365 Canal Street, New Orleans, Louisiana 70130. The Purchaser will be furnished a reasonable number of final official statements on or before the seventh business day following the sale of the Bonds.

The approving legal opinion of Foley & Judell, L.L.P., Bond Counsel, who have supervised the proceedings, the printed Bonds and the transcripts of record as passed upon will be furnished to the successful bidders without cost to them. Said transcripts will contain the usual closing proofs, including a certificate that up to the time of delivery no litigation has been filed questioning the validity of the Bonds or the respective tax revenues necessary to pay the same.

In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Governing Authority will undertake, pursuant to the ordinance providing for the issuance of the Bonds and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

For information relative to the Bonds and not contained in the Notice of Bond Sale and Official Statement, address Ms. Leslie Long, Finance Director, Parish of St. Tammany, 21490 Koop Drive, Highway 59 Complex, Mandeville, Louisiana 70471, or Foley & Judell, L.L.P, One Canal Place, Suite 2600, 365 Canal Street, New Orleans, Louisiana 70130, Bond Counsel.

THUS DONE AND SIGNED at Mandeville, Louisiana, on this, the 6<sup>th</sup> day of April, 2006.

\_\_\_\_\_  
Kevin Davis, Parish President

ATTEST:

\_\_\_\_\_  
Diane Hueschen, Clerk of the Council

\* \* \* \* \*

**SECTION 6. Date and Time of Sale.** This Governing Authority will meet in open and public session at the time and place set out in the Notice of Bond Sale incorporated herein (or such other date as may be determined by the Parish President and advertised by Munifacts Disclosure Service), for the purpose of receiving bids for the Bonds, considering and taking action upon the bids, and taking any other action required by this resolution, or necessary to effectuate the issuance, sale and delivery of the Bonds. If any award of the Bonds shall be made, such award shall be made for not less than par and

accrued interest to the best bidder for the Bonds, such award and best bidder to be determined in accordance with the aforesaid Notice of Bond Sale.

SECTION 7. Bid Form and Official Statement. There shall be prepared an Official Bid Form for the submission of bids and an Official Statement which shall contain complete bidding details, security features and other pertinent information relative to the sale and issuance of the Bonds as may be deemed necessary, advisable or desirable, which Official Bid Form and Official Statement shall be distributed to all prospective bidders and other interested parties.

SECTION 8. Continuing Disclosure. In order to assist bidders in complying with S.E.C. Rule 15c2-12(b)(5), the Governing Authority will undertake, pursuant to the ordinance providing for the issuance of the Bonds and a Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking will be set forth in the Preliminary Official Statement and the Final Official Statement.

SECTION 9. State Bond Commission Approval. Application is hereby formally made to the State Bond Commission, Baton Rouge, Louisiana, for its consent and authority to issue and sell the aforesaid Bonds, and a certified copy of this resolution shall be forwarded to the State Bond Commission on behalf of the Governing Authority, together with a letter requesting the prompt consideration and approval of this application.

SECTION 10. Employment. This Governing Authority finds and determines that a real necessity exists for the employment of special bond counsel in connection with the issuance of the Bonds, and accordingly, Foley & Judell, L.L.P., as Bond Counsel, is hereby employed to do and perform comprehensive legal and coordinate professional work as bond counsel with respect to the issuance and sale of the 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 and sale thereof and shall furnish its opinion covering the legality of the issuance of the Bonds. The fee of Bond Counsel shall be fixed at a sum not exceeding the maximum fee allowed by the Attorney General's fee schedule for comprehensive, legal and coordinate professional work in the issuance of revenue bonds and based on the amount of 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. Bond Counsel shall cause to be prepared an official statement containing detailed and comprehensive financial and statistical data with respect to the sale of the Bonds and the costs of the preparation and printing of said official statement shall be paid from the proceeds of the issue for which it has been prepared. Said official statement shall be submitted to such nationally recognized bond rating service or services as may be recommended by Bond Counsel, together with a request that an appropriate rating be assigned. Payment for all ratings shall be made by the Finance Director upon presentation of appropriate statements from the particular rating service furnishing the ratings. 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 Finance Director 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.



THIS RESOLUTION HAVING BEEN SUBMITTED TO A VOTE, THE VOTE THEREON WAS AS FOLLOWS:

MOVED FOR ADOPTION BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_:

YEAS:

NAYS:

ABSTAIN:

ABSENT:

THIS RESOLUTION WAS DECLARED ADOPTED ON THE 6<sup>TH</sup> DAY OF APRIL, 2006, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT.

\_\_\_\_\_  
STEVE STEFANCIK, COUNCIL CHAIRMAN

ATTEST:

\_\_\_\_\_  
DIANE HUESCHEN, COUNCIL CLERK