

ST. TAMMANY PARISH COUNCIL

RESOLUTION

RESOLUTION COUNCIL SERIES NO: C-3100

COUNCIL SPONSOR: GOULD

PROVIDED BY: Legal Department

RESOLUTION GIVING PRELIMINARY APPROVAL TO THE ISSUANCE OF NOT TO EXCEED TWENTY MILLION DOLLARS (\$ 20,000,000) OF UTILITIES REVENUE BONDS OF THE PARISH OF ST. TAMMANY, STATE OF LOUISIANA; PROVIDING CERTAIN TERMS OF SAID REVENUE BONDS, MAKING APPLICATION TO THE STATE BOND COMMISSION FOR THE APPROVAL OF SAID REVENUE BONDS, AND PROVIDING FOR OTHER MATTERS.

WHEREAS, the Parish of St. Tammany, State of Louisiana (the "Parish") is considering undertaking the acquisition of existing utility systems in St. Tammany Parish in furtherance of its parish-wide sewer and water consolidation initiative; and

WHEREAS, the Parish has identified certain existing utility systems, H2O Systems, Inc., Oak Harbor East Utility, L.L.C. and other systems, that it has appraised and is ready to begin the acquisition process; and

WHEREAS, the Parish seeks preliminary approval for the issuance of utility revenue bonds not to exceed Twenty Million Dollars (\$ 20,000,000.00), approval for making application to the State Bond Commission for the approval of the said revenue bonds and to provide for other matters listed below.

THE PARISH OF ST. TAMMANY HEREBY RESOLVES that:

SECTION 1. Preliminary Approval of Utilities Revenue Bonds. Preliminary approval is given to the issuance of not exceeding \$ 20,000,000 of Utilities Revenue Bonds (the "Revenue Bonds") of the Parish of St. Tammany, State of Louisiana (the "Issuer"), pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, for the purpose of constructing, acquiring, extending and/or improving the Issuer's combined revenue-producing sewage collection, treatment and disposal systems and waterworks treatment and distribution systems (the "System"), including the acquisition of one or more existing utilities systems (collectively, "the Project"), and paying the costs incurred in connection with the issuance thereof, said Revenue Bonds to be payable, by a pledge of the revenues of the System, after there have been deducted therefrom the reasonable and necessary expenses of operating and maintaining the System. The Revenue Bonds will be issued at an interest rate not exceeding 8% per annum, and shall mature over a period not exceeding 40 years. The Revenue Bonds shall be issued in fully registered form, shall be sold to the purchasers thereof at a price of not less than 97% of par, plus accrued interest, if any, and shall have such additional terms and provisions as may be determined by this Governing Authority.

SECTION 2. State Bond Commission Approval. Application be and the same is hereby formally made to the State Bond Commission, Baton Rouge, Louisiana, for its consent and authority to issue and sell the aforesaid issue of Revenue Bonds, and a certified copy of this resolution shall be forwarded to the State Bond Commission on behalf of the Issuer, together with a letter requesting the prompt consideration and approval of this application. By virtue of applicant/issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it 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 of 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.

SECTION 3. Appointment of Investment Banker/Underwriter. Merrill Lynch, Pearce, Fenner and Smith, Incorporated, Underwriter of the Issuer's Utilities Revenue Bonds, Series 2010B, is hereby appointed as investment banker/underwriter in connection with the issuance of the Revenue Bonds, any compensation to be subsequently approved by the Issuer and to be paid from the proceeds of the Revenue Bonds and contingent upon the issuance of the Revenue Bonds; provided that no compensation shall be due to said investment banker/underwriter unless the Revenue Bonds are sold and delivered.

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 5 DAY OF May, 2011, AT A REGULAR MEETING OF THE PARISH COUNCIL, A QUORUM OF THE MEMBERS BEING PRESENT AND VOTING.

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MARTIN W. GOULD, JR., COUNCIL CHAIRMAN

ATTEST:

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THERESA L. FORD, COUNCIL CLERK