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# CITY OF LEEDS, ALABAMA

## SPECIAL-EMERGENCY COUNCIL MEETING AGENDA

City Hall Annex - Meeting Room - 1412 9th St, Leeds, AL 35094

June 29, 2020 @ 6:00 PM

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### CALL COUNCIL MEETING TO ORDER

### ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

### NEW BUSINESS:

1. [Consider](#) Authorizing all remaining actions in regard to the USDA supported financing
2. Consider Authorization of application for downtown ALDOT grant application

### PUBLIC COMMENTS

*All comments are to be limited to 2 minutes*

### ADJOURNMENT

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In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 205-699-2585.

**File Attachments for Item:**

Consider Authorizing all remaining actions in regard to the USDA supported financing

I, the undersigned City Clerk of the CITY OF LEEDS, ALABAMA, hereby certify that the attached pages numbered consecutively from 1 to 9, inclusive, constitute a true, correct and complete copy of excerpts from all those portions of the minutes of a special public meeting of the City Council of said City held on June 29, 2020, pertaining to the matters therein set out, as the same appear in the records of said City.

WITNESS my signature, as said City Clerk, under the seal of said City, this 29<sup>th</sup> day of June, 2020.

[ S E A L ]

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City Clerk of the  
CITY OF LEEDS, ALABAMA

\* \* \*

Councilmember \_\_\_\_\_ introduced the following Ordinance in writing, which was read to the meeting:

ORDINANCE NO. 2020-06-

BE IT ORDAINED by the City Council of the City of Leeds, Alabama, as follows:

**Section 1. Findings.** The City Council (herein called the “Council”), which is the governing body of the City of Leeds, Alabama (herein called the “City”), has found and ascertained and does hereby declare as follows:

(a) The City has determined that it is desirable and in the best interest of the City and its inhabitants to (i) fund paving and resurfacing of various City streets and related infrastructure, and (ii) pay the costs of issuing the Series 2020-C Warrant (the “Warrant”), and for such purposes, the City shall issue the Warrant.

(b) Immediately after the issuance of the Warrant, the total indebtedness of the City chargeable against the debt limitation for the City described by the Constitution of the State of Alabama will not be more than 20% of the assessed valuation of taxable property within the corporate limits of the City for the last fiscal year (ended on the next preceding September 30). The Warrant will be chargeable against the City’s debt limitation under Section 225.

(c) The Series 2020 Warrant will be issued pursuant to this ordinance and will be a general obligation of the City for the payment of which the full faith and credit of the City is irrevocably pledging hereunder.

**Section 2. Authorization of the Warrant.** Pursuant to the provisions of the constitution and laws of the State of Alabama, including particularly Section 11-47-2, *Code of Alabama 1975*, as amended, and to evidence a USDA loan from United Bank for paving and resurfacing of various City streets and related infrastructure, there is hereby authorized to be issued by the City its General Obligation Warrant, Series 2020-C, in the principal amount of \$2,700,000.00. The Warrant shall be dated the date of its issuance, shall be issued in fully registered form, shall be payable in monthly installments over a two hundred and fifty-two (252) month period commencing on July 30, 2020 in such principal and interest amounts as reflected in the amortization schedule attached hereto as **Exhibit A**, and shall bear interest at the per annum rate of three and two hundred seventy-five thousandths percent (3.275%).

**Section 3. Source of Payment.** The indebtedness evidenced and ordered paid by the Warrant is and shall be a general obligation of the City for payment of the principal of and the interest on which the full faith and credit of the City are hereby irrevocably pledged.

**Section 4. Prepayment Privilege.** The City reserves and shall have the privilege of prepaying all or any part of the principal of the Warrant at any time and from time to time, without penalty or premium and without any prior notice.

**Section 5. Payment of the Warrant.** Interest on the Warrant shall be paid by check or draft mailed or otherwise delivered by the City to United Bank or its assigns. Such payments shall be deemed timely made if so mailed on the interest payment date (or if such interest payment date is not a business day, on the business day next following such interest payment date) upon which such interest shall be due and payable. The principal of the Warrant shall be payable at the office of the Treasurer of the City, City Hall, Leeds, Alabama, upon presentation and surrender of the Warrant as the same becomes due. In case the Warrant is called for partial redemption, the redemption price of the principal thereof so called for redemption shall be payable at the office of the Treasurer of the City (a) upon presentation and surrender of the Warrant in exchange for another Warrant of the same series and tenor and having an aggregate principal amount equal to the unredeemed portion of the principal of the Warrant so surrendered, or (b) upon presentation of the Warrant for an appropriate endorsement by the Treasurer of the City of such partial redemption on the Warrant or on any record of partial redemptions appertaining thereto and constituting a part thereof. The preceding two sentences of this paragraph notwithstanding, the redemption price of any partial redemption of the principal of the Warrant may be paid to the person, corporation, limited liability company, partnership, trust or other legal entity in whose name the Warrant is registered on the registry books of the Treasurer of the City pertaining to the Warrant (herein called the "Holder") pursuant to a Home Office Payment Agreement. Any provision hereof to the contrary notwithstanding, the Treasurer of the City will, at the request of the Holder of the Warrant, enter into a Home Office Payment Agreement with such Holder providing for the payment of the redemption price of any partial redemption of the principal of the Warrant at a place and in a manner other than as otherwise provided in this section or in the Warrant, but any such agreement shall be subject to the following conditions:

(a) The terms and conditions of such agreement shall be satisfactory to the Treasurer of the City and the Holder of the Warrant;

(b) The final payment of the principal of the Warrant shall be made only upon the surrender thereof to the Treasurer of the City;

(c) If such agreement provides for the partial redemption of the principal of the Warrant without the surrender thereof in exchange for another Warrant in a principal amount equal to the unredeemed portion of the Warrant, then such agreement

(i) shall provide that the Holder of the Warrant will not sell, pledge, transfer or otherwise dispose of the same unless prior to the delivery thereof it shall surrender the same to the Treasurer of the City in exchange for another Warrant in a principal amount equal to the unpaid principal of the Warrant, and

(ii) shall provide (A) that, to the extent of the payment to the Holder of the Warrant of the redemption price of any portion thereof called for redemption, the City shall be released from liability with respect to the Warrant, and (B) that such Holder will indemnify and hold harmless the City against any liability arising from the failure of such Holder to surrender the Warrant to the Treasurer of the City as required by the preceding clause (i).

**Section 6. Form of Warrant, Etc.** The Warrant shall be in substantially the following form, with appropriate insertions, omissions and other changes to comply with the provisions hereof and to reflect the appropriate date and principal amount:

THIS WARRANT HAS NOT BEEN REGISTERED (i) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS PROVIDED BY SAID ACT, OR (ii) UNDER ANY STATE SECURITIES LAW, IN RELIANCE UPON APPLICABLE EXEMPTIONS, AND MAY NOT BE TRANSFERRED WITHOUT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION THEREFROM.

\$2,700,000.00

June 30, 2020

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF LEEDS, ALABAMA

GENERAL OBLIGATION WARRANT  
SERIES 2020-C  
(USDA LOAN)

The CITY OF LEEDS, a municipal corporation in the State of Alabama (herein called the “City”), for value received, hereby acknowledges itself indebted to and orders and directs the City Treasurer of the City to pay to UNITED BANK, or registered assigns, upon presentation and surrender hereof, the principal sum of

TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS

(or such lesser portion thereof then unpaid) on the 30th day of June, 2041 (unless the principal of this warrant shall have been duly called for previous redemption and payment duly provided for). The principal of and interest on this warrant shall be payable in lawful money of the United States of America in monthly installments over a two hundred fifty-two (252) month period commencing on July 30, 2020 in such principal and interest amounts as reflected in the amortization schedule attached hereto as **Exhibit A**. This warrant shall bear interest from its

date of issuance until maturity unless sooner paid at the rate of three and two hundred seventy-five thousandths percent (3.275%) per annum.

This warrant is authorized to be issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the *Code of Alabama 1975*, as amended, as well as an ordinance duly adopted by the governing body of the City on June 29, 2020 (herein called the "Ordinance"), for purposes for which the City is authorized by law to borrow money and to issue warrants. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Ordinance.

The indebtedness evidenced and ordered paid by this warrant is a general obligation of the City for the payment of the principal of and interest on which the full faith and credit of the City have been irrevocably pledged.

The City reserves the privilege of prepaying all or any part of the principal of this warrant at any time and from time to time, without premium or penalty, and without notice.

The principal of and interest on this warrant will be paid only to the named payee hereof or its registered assigns at the address of the said payee as shown on the books of the City maintained for that purpose by its undersigned registrar.

It is hereby certified that all conditions, actions and things required by the constitution and laws of Alabama to exist, be performed or happen precedent to or in the issuance of this warrant do exist, have been performed and have happened in due and legal form.

IN WITNESS WHEREOF, the City has caused this warrant to be executed in its name and behalf by its Mayor, who has caused its official seal to be hereunto affixed, has caused this warrant to be attested by its City Clerk, both of said officers being hereunto duly authorized, and has caused this warrant to be dated June 30, 2020.

**CITY OF LEEDS, ALABAMA**

By \_\_\_\_\_  
David Miller, Mayor

Attest:

\_\_\_\_\_  
Toushi Arbitelle, City Clerk



This warrant was registered in the name of the above-registered owner this 30<sup>th</sup> day of June 2020.

By \_\_\_\_\_  
Registrar

For value received \_\_\_\_\_ hereby sell(s), assign(s) and transfer(s) unto \_\_\_\_\_ the within warrant and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_, attorney, with full power of substitution in the premises, to transfer this warrant on the books of the City of Leeds, Alabama.

Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within warrant in every particular, without alteration, enlargement or change whatsoever

**Section 7.** The City acknowledges and agrees that the Warrant is to be issued in compliance with the conditions necessary for the interest income thereon to be exempt from federal income taxation pursuant to the relevant provisions of the Code. The City hereby covenants and agrees as follows:

- (a) It will not use or apply the proceeds of the Warrant or direct the investment of moneys in any funds or accounts established or maintained with respect to the Warrant in such manner as to constitute any Warrant an “arbitrage bond” within the meaning of Section 148 of the Code;
- (b) It will make timely rebate payments to the United States of America with respect to any “excess” arbitrage profits as required by Section 148(f) of the Code;
- (c) It will maintain all records required by Section 148(f) of the Code and the applicable regulations thereunder and shall furnish such data or information regarding compliance with Section 148(f) of the Code as any Holder shall reasonably request in writing, which records shall be furnished to any Holder upon its request;

(d) Proceeds of the Warrant shall not be used in any private business use, payment of the Warrant shall not be secured by, or derived from, property used in a private business use, and proceeds of the Warrant shall not be used to make or finance loans to persons other than governmental units, in any case that would cause the Warrant to be or become private activity bonds, as defined in Section 141 of the Code;

(e) It will not cause or permit the Warrant to be federally guaranteed, within the meaning of Section 149(b) of the Code;

(f) It will not in any other way cause or permit the proceeds of the Warrant to be used in a manner which would cause the interest on the Warrant to lose the exemption from federal income taxation as provided under the code and the applicable regulations thereunder and will comply with all applicable provisions of the Code (including, without limitation, the provisions relating to post-issuance actions affecting tax exemption) to the extent necessary for interest on the Warrant to be excludable from gross income of the Holders thereof; and

(g) The City hereby designates the Warrant as “qualified tax-exempt obligations” for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The City does hereby represent that the only governmental bodies eligible to issue tax-exempt obligations for whom it appoints the members of such entity’s governing body are the Leeds City Board of Education, The Public Educational Building Authority of the City of Leeds, and The Water Works Board of the City of Leeds. The foregoing governmental entities have not issued and are not expected to issue during this calendar year any tax exempt obligations. Based on the foregoing, the City does hereby further represent that it reasonably anticipates that the amount of neither “qualified tax-exempt obligations” nor “tax-exempt obligations” which will be issued by the City or by what might be considered its “subordinate entities” under the Code during this calendar year will exceed \$10,000,000.

**Section 8. Execution of the Warrant.** The Warrant shall be executed on behalf of the City by its Mayor, who shall affix the official seal of the City to the Warrant, and the Warrant shall be attested by the City Clerk of the City. Said officers are hereby authorized and directed so to execute, seal and attest the Warrant.

**Section 9. Registration of Warrant.** A registration certificate, in substantially the form hereinabove recited, duly executed by the manual signature of the City Clerk as registrar, shall be endorsed on the Warrant and shall be essential to their validity. The Warrant shall be registered as to principal, and shall be transferable only on the registry books of the City. The City Clerk shall be the registrar and transfer agent of the City and shall keep at the City’s office proper registry and transfer books in which it will note the registration and transfer of such Warrant as are presented for those purposes.

**Section 10. Annual Audits.** Audited financial statements prepared in accordance with generally accepted accounting principles will be provided to United Bank within 270 days after the end of each fiscal year of the City, commencing with the fiscal year ending September 30, 2020.

**Section 11. Origination Fee.** The City agrees to pay on the Closing Date an origination fee to United Bank equal to one percent (1%) of the amount of the Warrant.

**Section 12. General Authorization.** The Mayor of the City, the City Clerk, the City Treasurer and all other officers of the City and of the Council are hereby authorized and directed to execute, deliver, seal and attest such other agreements, undertakings, documents and certificates and to take such other actions on behalf of the City as may be necessary to consummate the issuance and sale of the Warrant and to carry out fully the transactions contemplated by this ordinance.

**Section 13. Tax Certificate and Agreement.** The City agrees that it will comply with the covenants and agreements to be made by it in the Tax Certificate and Agreement, to be executed and delivered in conjunction with the delivery of the Warrant.

**Section 14. Governing Law.** This ordinance shall be construed in accordance with and governed by the laws of the State of Alabama.

**Section 15. Provisions Constitute Contract.** The provisions of this ordinance shall constitute a contract between the City and the Holders of the Warrant.

**Section 16. Provisions of Ordinance Severable.** The various provisions of this ordinance are hereby declared to be severable. In the event any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not affect the validity or enforceability of any other portion of this ordinance.

Councilmember \_\_\_\_\_ moved that unanimous consent be given for the immediate consideration of and action on said ordinance, which motion was seconded by Councilmember \_\_\_\_\_, and upon said motion being put to vote, the following was recorded:

YEAS:

NAYS:

Councilmember Bell  
Councilmember Dutton  
Councilmember Miller  
Councilmember Turner  
Councilmember Washington

None

The Mayor of the City thereupon declared that the motion for unanimous consent for immediate consideration of and action on said ordinance had been unanimously carried. Councilmember \_\_\_\_\_ moved that said ordinance be adopted, which motion was seconded by Councilmember \_\_\_\_\_, and, upon said motion being put to vote, the following vote was recorded:

YEAS:

NAYS:

Councilmember Bell  
Councilmember Dutton  
Councilmember Miller  
Councilmember Turner  
Councilmember Washington

None

The Mayor of the City thereupon announced that the motion for adoption of said ordinance had been carried.

\* \* \*

**File Attachments for Item:**

2. Consider Authorization of application for downtown ALDOT grant application

**THE CITY OF LEEDS****RESOLUTION NO: 2020-06-09**

**IN REFERENCE TO AUTHORIZATION FOR THE CITY OF LEEDS TO MAKE APPLICATION TO, AND TO MEET THE REQUIREMENTS OF, THE TRANSPORTATION ALTERNATIVES SET-ASIDE PROGRAM (“TASP”)**

**WITNESETH:**

**WHEREAS**, the Alabama Department of Transportation administers a federal aid highway program that funds up to 80% of the construction of certain roadway projects; and

**WHEREAS**, whereas the Mayor has previously discussed the eligibility of various and potential City projects, under TASP, with certain engineers as well as the City attorneys, and it has been determined that there are certain roadway projects, within the City of Leeds, that could potentially qualify for said TASP funding; and

**WHEREAS**, in order to qualify under the TASP, the City must commit to funding at least 20% of the project constructions cost plus related surveying, design, environmental analysis and right-of-way acquisition costs; and

**WHEREAS**, to begin the application process the City, must also submit a letter of intent addressed to the Alabama Department of Transportation; and,

**NOW THEREFORE, BE IT RESOLVED, BY THE LEEDS CITY COUNCIL**, in regular session, that the Mayor shall have the full authority to

1. Execute the necessary letter of commitment, as attached, to the Alabama Department of Transportation in relation to the following two projects:
  - A. THE INSTALLATION OF A TRAFFIC LIGHT AND TURN LANES AT THE END OF THE EAST BOUND EXIT RAMP FROM INTERSTATE 20
2. Consult with and authorize the engineers and attorneys to perform the necessary professional services to make application and to fulfill all requirements of ALDOT

pursuant to, and throughout, the TASP program processes and rules;

- 3. Execute other documents as necessary in relation to and throughout the application and awarding process in relation to the authority authorized herein.

**BE IT FURTHER RESOLVED**, that the Mayor and/or staff provide progress reports to the City Council from time to time in relation to the TAASP application and project status and success.

**BE IT FURTHER RESOLVED**, that the provisions of this Resolution are severable. If any part of this Resolution is determined by a court of law to be invalid, unenforceable or unconstitutional, such determination shall not affect any other part of this Resolution.

**AYES:** \_\_\_\_\_

**NAYS:** \_\_\_\_\_

**ABSENT FROM VOTING:** \_\_\_\_\_

**ABSTAIN:** \_\_\_\_\_

\_\_\_\_\_  
**David Miller, Mayor**

June 29, 2020  
**DATE**

\_\_\_\_\_  
Toushi Arbitelle, City Clerk

I, Toushi Arbitelle, City Clerk of the City of Leeds, hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a meeting held on the 29<sup>th</sup> day of June 2020.

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