



CITY OF LEEDS, ALABAMA

SPECIAL CALLED COUNCIL MEETING AGENDA

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

June 11, 2020 @ 3:00 PM

ROLL CALL / INVOCATION / PLEDGE OF ALLEGIANCE

CALL COUNCIL MEETING TO ORDER

NEW BUSINESS:

- [1.](#) USDA - Paving Project - 2020

ADJOURNMENT

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:

USDA - Paving Project - 2020

**CITY OF LEEDS
RESOLUTION 2020-06-03**

APPROVAL OF UNITED BANK LOAN TERM SHEET AND FURTHERANCE OF RELATED ACTIONS

WHEREAS, the City of Leeds, a State of Alabama Municipal Corporation (the “Issuer”), desires to issue its General Obligation Warrants, (the “Warrants”) to United Bank, an Alabama banking corporation (the “Warrant holder”) for the purpose of financing certain capital improvements based on terms and conditions more particularly described in the Term Sheet referenced below (the “Term Sheet”); and

WHEREAS, the Warrants will be issued pursuant to conditions set forth in a final closing documents ordinance to be finalized subsequent hereto; and

WHEREAS, the Warrants will be general obligations of the Issuer; and

WHEREAS, the Warrants will be sold to the Warrant holder on the terms and conditions contained in the Term Sheet (see Exhibit A) which is due to be approved along with the authority of the Mayor and the staff to proceed accordingly.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE GOVERNING BODY OF THE ISSUER, as follows:

1. The governing body of the Issuer does hereby approve, authorize, ratify and confirm (a) the attached Term Sheet, and (b) the issuance of the Warrants in an amount up to \$2,7000,000, (c) the execution and delivery of related Financing Documents by the parties to such instruments, and (d) the consummation of all other transactions described in the recitals to this resolution and contemplated by the Term Sheet.

2. The Mayor is hereby authorized and directed to execute and deliver the Financing Documents to which the Issuer will be a party in substantially the form as approved by City Attorney and Bond Counsel with such changes or additions thereto or deletions therefrom as the officer executing the same shall approve, which approval shall be conclusively evidenced by his execution of such instruments. The Mayor of the Issuer and the City staff is hereby authorized and directed to affix the corporate seal of the Issuer to such instruments and to attest the same.

3. The Warrants shall be issued in a form to be approved by Bond Counsel at a subsequent date hereto, and the Mayor is hereby authorized and directed to execute the Warrants on behalf of the Issuer, the Mayor of the Issuer is hereby authorized and directed to affix the official corporate seal of the Issuer to the Warrants and to attest the same, and the certification of registration of each Warrant as a claim against the General Fund shall be executed by the City Clerk of the Issuer.

4. Each of the following persons is hereby authorized to act in the name and on behalf the Issuer as an “Authorized Issuer Representative” for purposes of the Financing Agreement:

Name	Title or Office
David Miller	Mayor
Ken Washington	Mayor Pro Tempore
Toushi Arbitelle	City Clerk
Brad Watson	Zoning Administrator

5. The officers of the Issuer and any person or persons designated and authorized by any officer of the Issuer to act in the name and on behalf of the Issuer, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the Issuer such other acts, to pay or cause to be paid on behalf of the Issuer such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the Issuer such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, amendments, further assurances, or other instruments or communications, under the corporate seal of the Issuer, or otherwise, as they or any of them may deem necessary, advisable, or appropriate in order to (a) complete the Plan of Financing, (b) carry into effect the intent of the provisions of this resolution and the Financing Documents, and (c) demonstrate the validity of the Warrants, the absence of any pending or threatened litigation with respect to the Warrants, the Financing Documents and the Plan of Financing, and the exemption of interest on the Warrants from federal and State of Alabama income taxation.

6. Each act of any officer or officers of the Issuer or any person or persons designated and authorized to act by any officer of the Issuer, which act would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved and adopted.

ADOPTED and APPROVED this the 11th day of June 2020.

CITY OF LEEDS, ALABAMA

DAVID MILLER, MAYOR

DATE

ATTEST:

AYES: _____

NAYS: _____

ABSENT FROM VOTING: _____

ABSTAIN: _____

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 duly called special meeting held on the 11th day of June 2020.

City Clerk



April 14, 2020

Mr. Brad Watson
City of Leeds
1400 9th Street
Leeds, Alabama 35094

United Bank is pleased to respond to your Request for a loan for Street Paving Projects secured by a General Obligation Warrant. While this term sheet is not a commitment, it will provide you with the terms and conditions under which a commitment may be forthcoming. The following conditions would apply:

Borrower:	City of Leeds
Amount:	Up to \$2,700,000.00
Purpose:	Paving and/or resurfacing of various City Streets
Repayment:	Repayment will be monthly interest only payments for up to 12 months Followed by principal and interest payments for up to 20 years.
Interest Rate:	3.275% Fixed, Bank Qualified Tax Free for up to 20 years
Facility:	The credit facility will be in the form of a tax exempt, bank qualified General Obligation Warrant and will be drawn up by The City's Bond Counsel.
Fees:	There will be a 1.00% Origination fee associated with this transaction payable to United Bank. The Bond counsel fees to include but not limited to recording fees, opinion letter, document preparation fee, etc. are at the cost of the Borrower.
Insurance:	Builder's Risk liability insurance in an amount acceptable to the Bank and flood insurance can be required if improvements are located within a flood zone existing on the property if applicable.

This term sheet is a commitment under stipulated terms if accepted. If not accepted, the terms discussed herein will become null and void at the Bank's discretion on May 20, 2020. If there are any questions or if you would like to further discuss any of the above terms or conditions please contact me at 251-449-6021.

- Dependent upon Borrower not experiencing any significant events, including, but not exclusively: bankruptcy, lawsuit, severance of contract with major contract counterparty or event of default with creditors.
- Borrower to provide annually updated audited financial statements and other ongoing financial reporting as required.
- The City's counsel shall provide the Bank with an opinion letter stating that these borrowings will be valid borrowings of The City. Bond Counsel shall provide an opinion that interest paid to the Bank will be tax free.
- Borrower to maintain the project scope and size within the approved architectural/engineering drawings.
- Subject to receipt and satisfactory review of any required permitting for the proposed project.
- Subject to submission of project budget with soft cost and hard costs breakouts.
- Subject to receipt of land purchase documentation (if applicable), survey, final plans and specs, engineering reports, construction contract, invoices, purchase orders, etc.

Sincerely,

Chris Walker

Assistant Vice President

ACCEPTANCE: I _____ as Mayor of the City of Leeds, accept the terms and conditions of this proposal on this _____ day of _____, 2020.

Signature

**CITY OF LEEDS
RESOLUTION NO.: 2020-06-04**

IN REGARD TO THE APPROVAL AND AUTHORIZATION OF PROFESSIONAL BOND COUNSEL SERVICES FOR THE CITY OF LEEDS 2020 WARRANTS.

WHEREAS, the City of Leeds (the “City”) has a need to engage the services of Bond Counsel in connection with the 2020 C GO Warrant issue with United Bank; and

WHEREAS, in connection with the needed expertise, provided a proposed engagement letter in regard to the underlying services to be provided; and

WHEREAS, the City is legally authorized to hire and obtain professionals to perform various professional Consultant services especially for short term intervals.

NOW THEREFORE, BE IT RESOLVED that, the City Council for the City of Leeds finds as follows:

1. That the approval of the subject relationship is in the best interest of the City and that said services will provide a real public benefit to the City.
2. The engagement of Brian Cash, Esq. (Spain Gillon) is hereby approved subject to the Mayor’s approval of an engagement letter.
3. The services and the associated legal fee of 1% as presented in said letter are hereby authorized for the limited purpose of providing services in regard to the subject United Bank financing of \$2.7mm with all related legal costs being funded from said fee.
4. That the Mayor and staff shall have the full authority to do those things, perform those functions, and to sign necessary documentation in order to carry out and complete the actions so authorized herein.
5. 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.

Adopted and approved this the 11th day of June 2020

AYES:	_____
NAYS:	_____
ABSENT FROM VOTING:	_____
ABSTAIN:	_____

CITY OF LEEDS, ALABAMA

David Miller, MAYOR

DATE

ATTEST:

Toushi Arbitelle, CITY CLERK

As the City Clerk of the City of Leeds, I hereby certify that the above Resolution was duly adopted by the City Council of the City of Leeds at a special called meeting held on the 11th day of June 2020.

Toushi Arbitelle, CITY CLERK