

MINUTES OF THE SPECIAL MEETING
OF THE CITY COUNCIL
OF THE CITY OF TARRANT, ALABAMA

HELD ON Monday, March 2, 2017

The Honorable City Council of the City of Tarrant, Alabama met in special session, on the 2nd day of March, 2017, at 6 pm in the conference room of City Hall.

Mayor Loxcil B. Tuck called the meeting to order. Mayor Tuck requested that Councilor Joe Matthews lead the prayer.

Mayor Tuck asked City Clerk Dan Weinrib to call the roll. Upon roll call, the following officials answered present:

Catherine "Cathy" Anderson	Councilor
John T. "Tommy" Bryant	Councilor
Tanyika Fields	Councilor
Laura D. Horton	Mayor Pro Tempore & Councilor
Joe A. Matthews	Councilor
Loxcil B. Tuck	Mayor

With the council receiving updated copies of the drafted resolution, Mayor Tuck then introduced Nicholas Greenwood, Bond Counsel at Hand Arendall, as well as Brad Green, investment advisor at Raymond James, for the purposes of discussing the 2017 Tarrant Electric Department warrants. Discussion ensued.

Afterwards, Horton moved, and Bryant seconded, a motion to adopt the following resolution:

RESOLUTION #8324

A RESOLUTION RATIFYING THE EXECUTION BY THE MAYOR OF THE CITY OF TARRANT, ALABAMA, OF A PURCHASE CONTRACT BETWEEN THE CITY AND RAYMOND JAMES & ASSOCIATES, INC. WITH RESPECT TO THE ISSUANCE BY THE CITY OF ITS ELECTRIC REVENUE WARRANTS, SERIES 2017

BE IT RESOLVED by the City Council ("the Council") of the City of Tarrant, Alabama ("the City") while in a special session on Thursday, March 2nd, 2017 as follows:

THAT the Council does hereby ratify and confirm the execution and delivery by the Mayor of the City, for and in the name and behalf of the City, of a Purchase Contract between the City and Raymond James & Associates, Inc., in substantially the form presented to the meeting at which this resolution is adopted, shown as Exhibit A.

ADOPTED this the 2nd day of March, 2017.

APPROVED: _____
LOXCIL B. TUCK, MAYOR

ATTEST: _____
Dan Weinrib, City Clerk

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA)
)
JEFFERSON COUNTY)

I, Dan Weinrib, City Clerk of the City of Tarrant, Alabama, do hereby certify that the above and foregoing is a true and correct copy of a Resolution duly and legally adopted by the City Council of the City of Tarrant, Alabama, on the 3rd day of March, 2017 while in regular session on Monday, March 3, 2017, and the same appears of record in the minute book of said date of said City.

Witness my hand and seal of office this 4th day of March, 2017.

Dan Weinrib, City Clerk

PURCHASE CONTRACT

with respect to

\$1,880,000
CITY OF TARRANT, ALABAMA
Electric Revenue Warrants
Series 2017

March 2, 2017

City of Tarrant
Tarrant, Alabama

Ladies and Gentlemen:

The undersigned Raymond James & Associates, Inc. ("the Underwriter"), hereby offers to enter into this Purchase Contract with the City of Tarrant ("the City") for the purchase by the Underwriter and the sale by the City of the Warrants of the City referred to in Section 1 hereof. This offer is made subject to acceptance by the City of this Purchase Contract, which acceptance shall be evidenced by the execution of this Purchase Contract by duly authorized officials of the City on the date hereof. Upon such acceptance and execution, this Purchase Contract shall be in

full force and effect in accordance with its terms and shall be binding upon the City and the Underwriter.

(1) Upon the terms and conditions and in reliance upon the representations, warranties and covenants hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the City's \$1,880,000 aggregate principal amount of Electric Revenue Warrants, Series 2017 ("the Warrants"). The Warrants shall be dated the date of their initial delivery and shall mature on the dates and in the amounts shown on the inside cover of the Official Statement hereinafter referred to and shall have the redemption provisions bear interest from their date at the per annum rates as shown on Exhibit I attached hereto. The purchase price for the Warrants shall be \$1,882,626.15 (representing the principal amount of the Warrants, plus a net original issue premium of \$30,826.15, less an Underwriter's discount of \$28,200). The purchase price for the Warrants shall be paid on the date of delivery of the Warrants ("the Closing").

(2) The Warrants shall be as described in the Preliminary Official Statement and Official Statement hereinafter referred to. The Warrants shall be issued under and pursuant to an ordinance to be adopted by the Mayor and City Council of the City on August 13, 2009, as supplemented by an Ordinance to be adopted by the Mayor and City Council of the City on March 6, 2017 ("the Authorizing Ordinance"). The proceeds from the sale of the Warrants shall be applied as described in the Authorizing Ordinance and the Official Statement hereinafter referred to.

(3) The Underwriter intends to make a public offering of all of the Warrants at the offering prices (or yields) respecting each maturity of the Warrants set forth on the inside cover page of the Official Statement hereinafter referred to. The Underwriter, however, reserves the right to change such offering price or prices (or yields) as the Underwriter shall deem necessary in connection with the marketing of the Warrants. The Underwriter may offer and sell Warrants to certain dealers (including dealers depositing the Warrants into investment trusts) and others at prices (or yields) different than the public offering prices (or yields) stated on the inside cover page of the Official Statement. The Underwriter also reserves the right (i) to over-allot or effect transactions which stabilize or maintain the market price of the Warrants at levels above that which might otherwise prevail in the open market and (ii) to discontinue such stabilizing, if commenced, at any time.

(4) The City has caused to be prepared and circulated by the Underwriter a Preliminary Official Statement dated February 23, 2017, with respect to the Warrants (such Preliminary Official Statement, including the cover page and all appendices, exhibits, reports and statements included therein or attached thereto and any amendments and supplements thereto that may be authorized by the City for use with respect to the Warrants being herein called "the Preliminary Official Statement"). The City deems the Preliminary Official Statement final as of its date, except for certain omissions in connection with the pricing of the Warrants. Such form of Official Statement with only such changes therein as shall have been accepted by the Underwriter, and including the cover page, the inside of the cover page and all appendices attached thereto, together with such amendments and supplements thereto as are adopted by the City in accordance herewith subsequent to the date hereof, is called "the Official Statement." The City shall provide, or cause to be provided, at its expense, to the Underwriter at the time of the City's acceptance of this Purchase Contract or as soon as practicable thereafter (but, in any event, not later than seven business days after the City's acceptance of this Purchase Contract and in sufficient time to accompany any confirmation that requests payment from any customer) copies of the Official Statement, complete as of its date of delivery to the Underwriter and in form reasonably satisfactory to the Underwriter, in sufficient quantity to comply with the rules of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The City authorizes the use of the Official Statement in connection with the public offering and sale of the Warrants. The City also ratifies and approves the distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement.

(5) In order to induce the Underwriter to enter into this Purchase Contract, the City represents and warrants to and covenants with the Underwriter as follows:

(a) The City has full legal capacity, right, power and authority and is authorized under the laws of the State of Alabama (i) to issue the Warrants for the purposes described in the Official Statement, (ii) to execute and deliver this Purchase Contract, the Warrants, and the Official Statement, and (iii) to carry out

and consummate all of the transactions contemplated by each of the aforesaid documents.

(b) The information relating to the City contained in the Preliminary Official Statement was and the Official Statement is, true and correct in all material respects and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(c) The financial information with respect to the City included in the Official Statement presents fairly the receipts, expenditures and fund and account balances of the funds and accounts presented as of the dates and for the periods indicated and such financial information has been prepared in conformity with generally accepted accounting principles applicable to governments as described therein and subject to such exceptions as are therein noted.

(d) The City has taken, or at the time of the Closing will have taken, all actions required to be taken by it to authorize and approve (i) the issuance and sale of the Warrants upon the terms set forth herein and in the Official Statement; (ii) the execution, delivery, receipt and due performance of this Purchase Contract, and any and all such other agreements and documents as may be required to be executed, delivered and received by the City in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (iii) the effectuation and consummation of the transactions contemplated hereby and by the Official Statement.

(e) This Purchase Contract constitutes a valid and legally binding obligation of the City enforceable in accordance with its terms (subject to the discretion of a court or other tribunal as to the availability or exercise of equitable remedies or equitable defenses and subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally from time to time in effect). The Warrants, if issued, delivered and paid for as herein provided, will have been duly authorized, executed, authenticated, issued and delivered in accordance with the provisions of the Authorizing Ordinance and will constitute valid and legally binding general obligations of the City for the payment of which the City has pledged its full faith and credit and additionally pledged as security therefor so much as may be necessary therefor.

(f) The adoption of the Authorizing Ordinance and the execution and delivery by the City of the Official Statement, this Purchase Contract, the Warrants and the other documents contemplated hereby and by the Official Statement, and the compliance with the provisions thereof, will not conflict with or constitute on the part of the City a violation of, breach of or default under (i) any constitutional provision or statute, or any ordinance, resolution, indenture, mortgage, lease, note agreement or other agreement or instrument to which the City is a party or by which the City is bound, or (ii) any order, rule or regulation of any court, governmental agency or body having jurisdiction over the City or any of its activities or property. All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required on the part of the City for the consummation of the transactions contemplated hereby and by the Official Statement have been obtained and remain in full force and effect or will be obtained prior to the Closing. No election or referendum of voters is required in connection with the actions of the City as described in this Purchase Contract.

(g) The City will apply the proceeds from the sale of the Warrants as specified in the Official Statement and the Authorizing Ordinance.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending or, to the knowledge of the City, threatened against or affecting the City (or to the knowledge of the City, any meritorious basis therefor) wherein an unfavorable decision, ruling or finding

would have a material adverse effect on (i) the existence or powers of the City, (ii) the financial condition or revenues of the City, (iii) the transactions contemplated hereby or by the Official Statement, (iv) the validity or enforceability of the Warrants, this Purchase Contract, or any agreement or instrument to which the City is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement, or (v) the exemption of the interest on the Warrants from gross income for federal income tax purposes and from Alabama income taxation.

(j) The City will cooperate with the Underwriter in any endeavor to qualify or register the Warrants for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States of America as the Underwriter may request.

(k) Neither the City nor anyone acting on its behalf has, directly or indirectly, offered the Warrants or any similar securities of the City for the sale to, or solicited any offer to buy the same from, anyone other than the Underwriter nor will the City, or any such person, prior to the Closing, offer or sell any material amount of indebtedness of the City, other than the Warrants.

(l) Any certificate signed by an authorized officer of the City delivered to the Underwriter shall be deemed a representation and warranty by the City to such parties as to the statements made therein.

(m) The City acknowledges and agrees that (i) the purchase and sale of the Warrants pursuant to this Purchase Contract is an arm's-length commercial transaction between the City and the Underwriter; (ii) in connection therewith, including the process leading thereto, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the City; (iii) the Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering of the Warrants or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the City on other matters) nor has it assumed any other obligation to the City except the obligations expressly set forth in this Purchase Contract; (iv) the Underwriter has financial and other interests that differ from those of the City; and (v) the City has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Warrants.

(n) At 10:00 o'clock, a.m., Central Standard Time, on March 14, 2017, or at such other time or on such other date as shall have been mutually agreed upon by the City and the Underwriter, the City will deliver, or cause to be delivered, to the Underwriter, the Warrants, in definitive form, duly executed, together with the other documents herein required; and the Underwriter will accept such delivery and pay the purchase price of the Warrants in immediately available funds. If at the Closing the City fails to deliver the Warrants to the Underwriter as provided herein, or if at the Closing any of the conditions specified in Section 7 hereof shall not have been fulfilled to the satisfaction of the Underwriter, the Underwriter may elect to be relieved of any further obligations under this Purchase Contract without thereby waiving any other rights the Underwriter may have by reason of such failure or nonfulfillment.

Payment and delivery of the Warrants as aforesaid shall be made at the City Hall in Tarrant, Alabama, or at such other place as shall have been mutually agreed upon by the City and the Underwriter.

(o) The obligations of the Underwriter hereunder shall be subject (A) to the performance by the City of its obligations to be performed hereunder at and prior to the Closing, (B) to the accuracy of the representations and warranties of the City herein as of the date hereof and as of the time of the Closing, and (C) to the following conditions, including the delivery by the City of such documents as are contemplated hereby in form and substance satisfactory to Hand Arendall LLC, Birmingham, Alabama, Bond Counsel ("Bond Counsel"):

(a) At the time of the Closing (i) the Official Statement and the Authorizing Ordinance shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing

by the Underwriter, provided that if any such amendments, modifications or supplements shall not be acceptable to the Underwriter, the Underwriter shall have the right to cancel their obligations to purchase the Warrants hereunder, and (ii) the City shall have duly adopted and there shall be in full force and effect such resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) At or prior to the Closing, the Underwriter shall receive the following documents:

(i) The approving opinion of Bond Counsel, dated the date of the Closing, substantially in the form attached to the Preliminary Official Statement;

(ii) Copies of the Official Statement of the City executed on behalf of the City by the Mayor;

(iii) Certified copies of the Authorizing Ordinance;

(iv) A specimen Warrant;

(v) Evidence that Standard & Poor's ("the Rating Agency") has issued a rating of "AA" (stable outlook) for the Warrants on the basis of delivery, upon issuance of the Warrants, of the municipal bond insurance policy for the Warrants issued by Assured Guaranty Municipal Corp. ("the Policy");

(vi) Evidence that the Rating Agency has issued an underlying rating of "BBB+" (stable outlook) for the Warrants;

(vii) A specimen Policy;

(viii) A certificate executed by an appropriate officer of the City, dated the date of Closing, in form and substance satisfactory to Bond Counsel, with respect to facts and circumstances affecting the tax-exempt status of the Warrants under Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder;

(ix) Such additional legal opinions, certificates, proceedings, instruments and other documents the Underwriter may reasonably request to evidence compliance by the City with legal requirements, the truth and accuracy, as of the time of Closing, of the respective representations of the City herein contained and the due performance or satisfaction by the City at or prior to such time of all agreements then required to be performed and all conditions then required to be satisfied by the City.

(8) The Underwriter shall have the right to cancel its obligations to purchase the Warrants hereunder by notifying the City in writing of its election to do so between the date hereof and the Closing if, on or after the date hereof and prior to the Closing:

(a) legislation shall be enacted or be actively considered for enactment by the Congress, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by a committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or the United States Tax Court shall be rendered or a ruling, regulation or official statement (including a press release) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed to be made with respect to federal taxation upon interest on obligations of the general character of the Warrants, or other action or events shall have transpired which have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions contemplated in connection

herewith which, in the opinion of the Underwriter, could materially adversely affect the market price of the Warrants or the market price generally of obligations of the general character of the Warrants; or

(b) any legislation, ordinance or regulation shall be enacted or be actively considered for enactment by any governmental body, department or agency of the State of Alabama or of the City, or a decision by any court of competent jurisdiction within the State of Alabama shall be rendered which, in the opinion of the Underwriter, could materially adversely affect the market price of the Warrants or the market price generally of obligations of the general character of the Warrants; or

(c) there shall have occurred any material adverse change in the affairs of the City or any event shall have occurred or shall exist which, in the opinion of the Underwriter, either (i) makes untrue or incorrect in any material respect any statement or information contained in the Official Statement, or (ii) is not reflected in the Official Statement and should be reflected therein in order to make the statements and information contained therein not misleading in any material respect; or

(d) the rating of the Warrants by the Rating Agency in effect on the date hereof shall have been altered or withdrawn or the Rating Agency shall have initiated any action which may result in a reduction in its rating assigned to the Warrants; or

(e) trading shall be suspended, or new or additional trading or loan restrictions shall be imposed by the New York Stock Exchange or other national securities exchange or governmental authority with respect to obligations of the general character of the Warrants or a general banking moratorium shall be declared by either federal, Alabama or New York authorities, or there shall have occurred any outbreak of hostilities or other national or international calamity or crisis or a financial crisis, the effect of such outbreak, calamity or crisis on the financial markets of the United States being such as, in the opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Warrants or to enforce contracts for the sale of the Warrants; or

(f) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Warrants or in any way contesting or affecting any authority for or the validity of the Warrants; or

(g) there shall have occurred a default with respect to the debt obligations of, or the institution of proceedings under any federal bankruptcy laws by or against, any state of the United States or any municipality located in the United States having a population of over 1,000,000, the effect of which, in the opinion of the Underwriter, would materially adversely affect the ability of the Underwriter to market the Warrants; or

(h) the marketability of the Warrants or the market price thereof, in the opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(i) there shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the City's obligations.

(9) If either the City shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Purchase Contract, or if the obligations of the Underwriter to purchase and accept delivery of the Warrants shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the City shall be under any further obligation hereunder; except that the obligations to pay expenses, as provided in Section 11 hereof, shall continue in full force and effect. The Underwriter may, in its discretion, waive any one or more of the conditions imposed by this Purchase Contract for the protection of the Underwriter and proceed with the Closing.

The City agrees to notify the Underwriter of any material adverse change in its business, properties or financial condition occurring before the Closing that would require a revision of the information in the Official Statement in order to make the representations set forth in Section 5 hereof true and correct.

(10) All representations, warranties and agreements of the City set forth in or made pursuant to this Purchase Contract shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriter, and shall survive delivery of and payment for the Warrants.

(11) The City shall pay, out of the proceeds of the Warrants, all expenses incident to the performance of its obligations hereunder and the issuance and sale of the Warrants, including but not limited to: (i) the cost of the preparation, reproduction, printing, distribution, mailing, execution, delivery, filing and recording, as the case may be, of the Preliminary Official Statement, the Official Statement, and all other agreements and documents required in connection with the consummation of the transactions contemplated hereby; (ii) the cost of the preparation, engraving, printing, execution and delivery of the definitive Warrants; (iii) the fees and disbursements of Bond Counsel; (iv) the costs or fees associated with any applications made to rating agencies to assign ratings to the Warrants; (v) the cost of transportation for officials and representatives of the City in connection with attending meetings and the Closing; and (vi) the cost of obtaining a CUSIP number assignment for the Warrants.

The City shall pay any expenses incident to the performance of its obligations hereunder and the issuance and sale of the Warrants, whether or not the Warrants are sold by the City to the Underwriter.

(12) The City ("the Obligated Person") will agree in a separate document to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 ("the Rule") promulgated by the Securities and Exchange Commission, (a) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement, (b) timely notice of the occurrence of certain events with respect to the Warrants and (c) timely notice of a failure by an obligated person (of which the Obligated Person has knowledge) to provide the required annual financial information on or before the date specified in said separate document. The Underwriter's obligation to purchase the Warrants shall be conditioned upon its receiving, at or prior to the delivery of the Warrants, in form and substance reasonably satisfactory to the Underwriter, evidence that the Obligated Person has made the continuing disclosure undertaking set forth above in a written agreement or contract for the benefit of the holders of the Warrants.

(13) This Purchase Contract shall inure to the benefit of and be binding upon the City and the Underwriter and their respective successors.

(14) This Purchase Contract shall be governed by and construed in accordance with the laws of the State of Alabama.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.
Underwriter

By _____
Its Vice President

Very truly yours,

CITY OF TARRANT, ALABAMA

By _____
Its _____

ACCEPTED and AGREED to as of the date first above written.

EXHIBIT I

\$1,880,000
CITY OF TARRANT, ALABAMA
Electric Revenue Warrants
Series 2017

Maturity Date (November 1)	Principal	Interest Rate
2020	\$145,000.00	3.000%
2021	150,000.00	3.000
2022	155,000.00	3.000
2023	160,000.00	3.000
2024	165,000.00	3.000
2025	175,000.00	3.000
2026	175,000.00	3.250
2027	175,000.00	3.250
2028	180,000.00	3.000
2029	200,000.00	3.000
2030	200,000.00	3.125

Optional Redemption. The Warrants maturing on November 1, 2027, and thereafter shall be callable on November 1, 2026, and on any date thereafter, at 100% of the principal amount called for redemption plus accrued interest to the date fixed for redemption.

Whereupon, Horton moved, and Bryant seconded, a motion to adjourn. The motion passed unanimously. The council meeting ended at 6:24 pm.

READ AND APPROVED THIS THE 6TH DAY OF MARCH, 2017

APPROVED: 
Loxcil B. Tuck, Mayor

ATTEST: 
Dan Weinrib, City Clerk