

STATE OF ALABAMA }

COLBERT COUNTY }

JUNE 6, 2017

Colbert County Commission met today in regular session at the Colbert County Courthouse. Commissioner Gardiner, acting as Chairman in Chairman Jimmar's absence, called the meeting to order at 6:13 p.m, being the time and place previously scheduled for such regular session. Commissioners present were Commissioner Barnes, Commissioner Black, Commissioner Gardiner, Commissioner Bendall, and Commissioner Hovater. Chairman Jimmar was not present. Commissioner Gardiner declared a quorum was present and that the meeting was convened and opened for the purpose of transaction of business. County Administrator Kathy Polk was also present and kept the minutes of the meeting. Commissioner Black offered the invocation.

CONSENT AGENDA

Commissioner Gardiner stated the first item of business before the Commissioner was the approval of the Consent Agenda. Commissioner Hovater made motion to approve the Consent Agenda. Commissioner Black seconded the motion. The motion passed with all Commissioners voting aye. The following items of business were approved by the Commission.

1. Approved and waived reading of minutes from May 16, 2017 Commission meeting.
2. Approved payment of bills as presented.
3. Authorized County Attorney Edgar Black to draft a letter to Helen Keller Hospital addressing the agreement between the Hospital and County Commission allowing the Coroner to use Hospital morgue if needed while contacting and making arrangements with family of the deceased.
4. Approved request from Jennifer Ware for payment of accumulated annual leave in the amount of \$772.82.
5. Approved first scheduled meeting in July to be changed from July 4 to July 11 at 5:00 p.m.

6. Approved request from Corintheus Goines for payment of accumulated annual leave in the amount of \$1,520.86.
7. Approved request from County Engineer John Bedford for \$245,586.89 to be allocated, from the MPO matching fund balance to complete road maintenance on County Line Road, Hawk Pride Mountain Road and Mulberry Lane.
8. Approved employee contract for Rodger Burcham for employment as Grade III/IV Water Treatment Plant Operator. Employee will work 25 hours per week at a rate of \$16.67 per hour and will be entitled to only Health Insurance benefits.
9. Approved recommendation of County Engineer John Bedford for an adjustment on May water billing for SCA. Mr. Bedford recommended a one-time rate adjustment of \$2.51 per 1000 gallons of water. SCA lost a raw water pump and requested that they be supplied water on a continuous basis, which was 24 hour cycle for eleven days.
10. Approved request from County Engineer John Bedford to declare surplus 2001 Gradall W-594-41(XL410) #G14094 and 2001 Gradall XL4100 #0415534.
11. Approved request from Revenue Commissioner Tommy Oswalt for changes in grades and job descriptions for Collections, Mapping, Appraisal, and Assessing Clerk positions. The positions are changed from Clerk to Administrative Assistant 1, 2, and 3 positions in grades 4, 5, and 6. Mapper III (Chief Mapper) will be changed from grade 10 to 11.
12. Approved request from County Engineer John Bedford for authorization to apply for 1 credit card for the Water Department to be used by those employees for travel only. Charges made to the card and all payments due therefor shall be the sole and ultimate responsibility of the County Engineer.
13. Approved request from County Engineer John Bedford for two agenda folders used at the County Commission meeting.
14. Approved request from County Engineer John Bedford for extra keys to Courthouse for Road and Water Department employees.

GAS TAX WARRANT

Commissioner Gardiner stated that the next item of business before the Commission was the consideration of an \$850,000 principal amount state gasoline tax anticipation warrant, series 2017. Upon motion made by Commissioner Black and duly seconded by Commissioner Bendall, the following resolution was presented for consideration by the Commission:

BE IT RESOLVED AND ORDERED BY THE COLBERT COUNTY COMMISSION as follows:

Section 1. Definitions and Use of Phrases.

The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein:

Bank means First Southern Bank, Muscle Shoals, Alabama, and its successors and assigns.

Business Day means any day other than a Saturday, Sunday, legal holiday, or a day on which banks in the Cities of New York, New York or Birmingham, Alabama, are permitted or required by law to be closed.

County means Colbert County, Alabama, a political subdivision of the State of Alabama, and any successor to its functions.

County Distribution of State Seven Cents Gasoline Tax means and includes all moneys which are now or shall hereafter be allocated, apportioned, distributed or become due and payable to the County or to which the County shall be entitled from any of the following sources:

(a) All sums which are or shall be allocated, apportioned, disbursed, distributed or distributable to the County for the payment of its share of the State Seven Cents Gasoline Tax under the provisions of Article 12 of Chapter 17 of Title 40 of the ALA. CODE (1975) (Sections 40-17-320 through 40-17-363), as the same may hereafter be amended, and

(b) All sums and amounts which are or shall be allocated, apportioned, disbursed, distributed or distributable to the County by reason of any succeeding, corresponding, equivalent, amended, supplemented or additional act or provision of law authorizing or relating to collections received by or apportioned to the County from the State Seven Cents Gasoline Tax and which the County shall be lawfully authorized to appropriate, transfer, use or pledge for transportation planning, the construction, reconstruction, maintenance, widening, alteration, and improvement of public roads, bridges, streets and other public ways, including payment of the principal of and interest on any securities at any time issued by the County pursuant to law for the payment of which any part of the net tax proceeds were or may be lawfully pledged. It is intended that the words "County Distribution of State Seven Cents Gasoline Tax" shall include the proceeds payable to or collected by the County under any succeeding, corresponding, equivalent, amended, supplemental or additional provisions of law or any law in lieu thereof which the County may lawfully pledge, assign or set apart for the aforesaid purposes so that, if the allocations provided by the said Division 2 or Article 12 be repealed, amended, supplemented or replaced, any succeeding, corresponding, equivalent, additional or replacement fund or funds shall be included, regardless of the name and form thereof.

State Seven Cents Gasoline Tax means:

(a) The excise tax levied by ALA. CODE § 40-17-325(a)(1) (1975) at the rate of seven cents (\$0.07) per gallon, with the exception of those portions of the tax levied on aviation fuel and marine gasoline;

(b) The excise tax levied by ALA. CODE § 4017140 through 4017155 (1975) at the rate of seven cents (\$0.07) per gallon, exclusive of that portion of said tax in respect of diesel fuel; and

(c) Any tax that may hereafter be levied in lieu of the foregoing taxes or as a substitute, amendment, restatement or replacement thereof.

Warrant means the \$850,000 principal amount State Gasoline Tax Anticipation Warrant (Seven Cents Gasoline Tax), Series 2017, to be dated the date of delivery, authorized to be issued under this resolution and order.

Section 2. Findings and Representations.

(a) For the purpose of improving roads within the County in compliance with the permitted uses for such funds as set forth in Chapter 17 of Title 40 of the ALA. CODE (1975), the governing body of the County has determined that it is in the best public interest of the County and its residents and taxpayers to issue its \$850,000 principal amount State Gasoline Tax Anticipation Warrant (Seven Cents Gasoline Tax), Series 2017, to be dated the date of delivery (the "Warrant"), to First Southern Bank (the "Bank"). The proceeds of the Warrant shall be used for the construction, surfacing, resurfacing, grading and drainage of County roads, streets and bridges in the County and the purchase of equipment necessary therefor.

(b) The County presently has no outstanding orders or obligations payable from the County Distribution of State Seven Cents Gasoline Tax, except for the prior outstanding State Gasoline Tax Anticipation Warrant, (Seven Cents Gasoline Tax), Series 2012 (the "Series 2012 Warrant"), payable to the Bank, which matures on September 25, 2017. The County is not in default on the Series 2012 Warrant.

(c) The County Distribution of State Seven Cents Gasoline Tax for fiscal year ending September 30, 2016 (unaudited) was \$1,162,278.76, which is more than nine times the annual debt service payment on the Warrant. There are no prior or existing liens on the County Distribution of State Seven Cents Gasoline Tax except for the Series 2012 Warrant, the payment of which is prior to the payment on the Warrant.

Section 3. Authorization and Description of Warrant.

(a) Pursuant to the applicable provisions of the laws of Alabama, including particularly Chapter 11 of Title 11 and Chapter 28 of Title 11 of the CODE OF ALABAMA 1975, the Warrant is hereby authorized to be issued to the Bank in the principal amount of \$850,000.

(b) The County is hereby authorized to borrow said amount from the Bank for the purposes set forth in Section 2 hereof, and the County shall issue therefor the Warrant described above to the Bank.

(c) The Warrant shall be dated the date of issuance; shall bear interest at the per annum rate; shall be payable for an initial 6 month interest-only period, and thereafter in equal, annual installments of principal and interest (based on a 7 year amortization) in such amounts, at such times and in such manner; shall be subject to optional redemption prior to maturity and shall be registered and transferred all as provided in the form of the Warrant set forth and described in Section 4.

(d) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the designated office of the registered owner thereof at par and without discount, exchange or deduction or charge therefor.

(e) The commitment fee of \$1,000 to the Bank and the Bond Counsel fee of \$7,000 to Bradley Arant Boult Cummings LLP are hereby approved and ordered paid from the proceeds of the Warrants.

Section 4. Form of the Warrant.

The Warrant shall be in substantially the following form:

**UNITED STATES OF AMERICA
STATE OF ALABAMA
COLBERT COUNTY
STATE GASOLINE TAX ANTICIPATION WARRANT
(SEVEN CENTS GASOLINE TAX)
SERIES 2017**

No. R-1

\$850,000

COLBERT COUNTY, in the State of Alabama (the "County"), hereby orders and directs the County Administrator to pay to **FIRST SOUTHERN BANK**, or registered assigns (the "Payee"), solely from the Special Fund hereinafter designated, the principal sum of

EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000)

or so much thereof as may be advanced hereunder, as hereinafter provided, and to pay solely from said Special Fund interest on the unpaid balance of said principal amount from the date hereof until payment in full, at a fixed per annum rate of interest (computed on the basis of the actual number of days elapsed over a 360-day year) equal to 3.25%, said principal and interest being payable as follows, and as more particularly described on the payment schedule attached hereto as Appendix A and incorporated herein by reference:

(1) On September 25, 2017 and December 25, 2017 (or next business day), the interest accrued on the outstanding principal amount advanced hereunder,

(2) On June 25, 2018 and on the same (or next business) day of June, 2019, June, 2020, June, 2021, and June, 2022, equal installments of the principal and interest accrued on the outstanding principal balance of this Warrant to each such date of payment, said payments calculated by the Payee on the basis of a 7 year amortization period; and

(3) On June 25, 2022 the remaining principal balance of this Warrant plus all outstanding accrued interest thereon and all other charges, fees and expenses outstanding on that date, provided that if the interest on this Warrant is determined by the Internal Revenue Service to be includable in gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), or if it is determined by the Internal Revenue Service that this obligation is not a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Code, (i) this obligation shall bear interest at *The Wall Street Journal* Prime Rate (as announced by such publication) from (a) the date such interest must be included in such gross income, or (b) the date the holder is required to take 100% (rather than 20%) of the interest hereon into account in complying with the said Section 265(b), whichever is the earlier and (ii) the County will reimburse the Payee for all costs, expenses, penalties, attorneys' fees and all other losses incurred by the Payee as a result of such determination. If either such determination is made, the difference between (1) the interest then due computed at the higher rate, and (2) the interest already paid at the lower rate, shall be paid, along with all such costs, expenses, penalties, attorneys' fees and all other said losses within thirty days after the date a written notice is mailed by the holder hereof to the County stating that such a determination has been made and stating the amount that is then due. The obligation to pay such additional interest and such other costs, expenses, penalties, attorneys' fees, and other losses shall survive the payment of the principal hereof.

Payment of the principal hereof and interest hereon shall be made at the office of the Payee in Muscle Shoals, Alabama, or at such other place as shall be designated to the County in writing by the Payee, provided that the final payment of principal of and interest on this Warrant shall be made only upon presentation and surrender of this Warrant to the County for cancellation.

The County may, on any date, pay in advance the entire unpaid principal balance of this Warrant or any lesser portion or portions thereof by paying to the Payee the principal amount to be prepaid, plus interest accrued on such principal amount to the date of such prepayment, without premium or penalty. Written notice of the call for prepayment of this Warrant by the County shall be given to the Payee not less than five days prior to the date fixed for prepayment.

This warrant is all of a \$850,000 principal amount State Gasoline Tax Anticipation Warrant (Seven Cents Gasoline Tax), Series 2017, dated the date of delivery (the "Warrant") of the County, issued pursuant to the Constitution and laws of the State of Alabama and a resolution and order and proceedings of the governing body of the County duly held, passed and conducted (the "Authorizing Proceedings").

The Warrant is payable solely from the special fund established by the Authorizing Proceedings designated "Series 2017 State Gasoline Tax Anticipation Warrant (Seven Cents Gasoline Tax) Fund" (the "Special Fund") and held in trust by First Southern Bank.

The County is obligated under the Authorizing Proceedings to pay into the Special Fund sums sufficient for the payment of the principal of and interest on the Warrant as the same become due and

payable, but solely from that portion of the excise tax levied by the State of Alabama under Section 40-17-325(a)(1) of the CODE OF ALABAMA 1975, as amended, exclusive of those portions of the said tax in respect of aviation fuel and marine gasoline, as those terms are used in said Section 40-17-325 and the excise tax levied by Article 3 of Chapter 17 of Title 40 of the CODE OF ALABAMA 1975, as amended, exclusive of that portion of the said tax in respect of diesel fuel, each levied at the rate of seven cents (\$.07) per gallon, and any tax that may hereafter be levied in lieu of, in substitution for, or in continuation of, said tax (the "Special Gasoline Tax"), which shall be allocated, apportioned or distributed, or become due and payable, to the County under Article 12 of Chapter 17 of Title 11 of the CODE OF ALABAMA 1975, as amended, or any distribution that may hereafter be made in lieu thereof or in substitution therefor.

The Warrant is issued in anticipation of the receipt of such portion of the proceeds of the Special Gasoline Tax so to be distributed to the County, and as security for the payment of the principal of and interest on the Warrant the County has assigned and pledged for the benefit of the registered owners of the Warrant the Special Fund and so much of the proceeds of the Special Gasoline Tax to be so distributed to and received by the County as may be necessary therefor, subject to the prior payment of the State Gasoline Tax Anticipation Warrant, (Seven Cents Gasoline Tax), Series 2012, payable to the Payee, which matures on September 25, 2017, and any other prior pledges of such Special Gasoline Tax.

It is contemplated that the proceeds of the loan evidenced hereby will be advanced by the Payee to the County in installments over an initial six month period, as requested by the County (as to amount and date) and agreed to by the Payee. Each principal advance made on this Warrant during the initial six month period shall be reflected by the notations made by the Payee on its internal records (which may be kept by computer or by other means determined by the Payee) and the Payee is hereby authorized so to record thereon all such principal advances. Following the initial six month period, all principal payments made by the County on this Warrant shall be likewise recorded by the Payee on its internal records as described in the preceding sentence. The aggregate unpaid principal amount of this Warrant reflected on the internal records of the Payee (whether by computer or otherwise) shall be rebuttably presumptive evidence of the principal amount of this Warrant outstanding and unpaid. No failure of the Payee so to record any advance or payment shall limit or otherwise affect the obligation of the County hereunder with respect to any advance, and no payment of the principal by the County shall be affected by the failure of the Payee so to record the same.

THIS WARRANT SHALL BE VALID AND ENFORCEABLE AS TO THE AGGREGATE PRINCIPAL AMOUNT ADVANCED AT ANY TIME HEREUNDER, WHETHER OR NOT THE FULL FACE AMOUNT HEREOF IS ADVANCED.

The general faith and credit of the County are not pledged to the payment of the Warrant and the Warrant is not a general obligation of the County. None of the agreements, representations or warranties made or implied in the Authorizing Proceedings or in the authorization or issuance of this warrant shall impose any pecuniary liability upon the County, except with respect to the portion of the proceeds of the Special Gasoline Tax received or to be received by the County.

This Warrant is recorded and registered as to principal and interest in the name of the owner on the book of registration maintained for that purpose by the County. The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of and interest on this Warrant shall be made only to or upon the order of the registered owner hereof or its legal representative, and neither the County nor any agent of the County shall be affected by any notice to the contrary. Payment of principal of and interest on this Warrant shall be valid and effectual to satisfy and discharge the liability of the County upon this Warrant to the extent of the amounts so paid.

This Warrant may be transferred only upon written request of the registered owner or its legal representative addressed to the County, such transfer to be recorded on said book of registration and endorsed hereon by the County. Upon presentation to the County for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the County, duly executed by the registered owner or its attorney duly authorized in writing, and the County shall endorse on the schedule attached hereto for such purpose the principal amount of this Warrant unpaid and the interest accrued hereon to the date of transfer. No charge shall be made for the privilege of transfer, but the

registered owner of this Warrant requesting any such transfer shall pay any tax or other governmental charge required to be paid with respect thereto.

The initial Payee hereby agrees and understands that this Warrant is a restricted warrant under federal securities laws, and may only be transferred in strict compliance with such rules and regulations.

It is hereby recited, certified and declared that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description and that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this Warrant and the adoption of the Authorizing Proceedings have happened, do exist and have been performed in time, form and manner as so required.

This warrant shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration inscribed hereon shall have been executed by the Paying Agent by the manual signature of one of its authorized officers.

IN WITNESS WHEREOF, the County, acting by and through the Colbert County Commission as the governing body thereof, has caused this warrant to be manually executed in its name and on its behalf by the Acting Chairman, attested and sealed by the County Administrator and has caused such warrant to be dated the date of delivery.

COLBERT COUNTY, ALABAMA

COUNTY SEAL

By _____
Acting Chairman

Attest: _____
County Administrator

Commissioner

Commissioner

Commissioner

Commissioner

REGISTRATION CERTIFICATE

I hereby certify that this Warrant has been duly registered by me as a special claim against Colbert County and the Special Fund referred to herein.

County Administrator

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of Colbert County in the name of the last owner named below. The principal of and interest on this Warrant shall be payable only to or upon the order of such registered owner.

Date of
Registration

In Whose Name
Registered

Signature of Authorized
Officer of County

June 9, 2017 First Southern Bank _____
 _____ _____ _____
 _____ _____ _____

ENDORSEMENT BY COUNTY OF UNPAID PRINCIPAL
 AND ACCRUED INTEREST ON DATE OF TRANSFER

Date of Transfer	Principal Unpaid	Accrued Interest on Date of Transfer	Signature of Authorized officer of County

Exhibit A

[Payment Schedule]

Section 5. Execution of the Warrant, Registration Certificate

The Warrant shall be manually executed in the name and on behalf of the County by the Acting Chairman and Commissioners and shall be manually attested by the County Administrator of the County, and the official seal of the County shall be manually imprinted thereon. The Registration Certificate shall be manually executed by the County Administrator. The Registration of Ownership of the Warrant shall be manually executed by the County Administrator of the County who shall make the endorsements provided at the time of any transfer. Said officers are hereby directed to so manually execute, attest and register the Warrant and to make the appropriate endorsements and notations, if any, thereon. Due to the Chairman's extended absence due to illness, the signature of the Acting Chairman shall be the Chairman's signature, and no signature of the Chairman on the Warrant or any other documents shall be necessary. All references and authorizations herein granted to the Chairman shall also mean and include the Acting Chairman.

Section 6. Warrant Fund.

(a) There is hereby established a special fund designated the "Series 2017 State Gasoline Tax Anticipation Warrant (Seven Cents Gasoline Tax) Fund" (the "Warrant Fund") which shall be held by the Bank, as paying agent for the Warrant, until the principal of and interest on the Warrant shall have been paid in full. Money in the Warrant Fund shall be used solely for the payment of the principal of and interest on the Warrant.

(b) The County Administrator is hereby ordered and directed to pay or cause to be paid into the Warrant Fund, solely from the County Distribution of State Seven Cents Gasoline Tax, which is hereby irrevocably pledged for such purposes, such sums as shall be sufficient to provide for the payment of the principal of and interest on the Warrant as the same becomes due and payable, which sums shall in no event be less than the following amounts which shall be paid into the Warrant Fund on or before the following dates:

(1) On September 25, 2017 and December 25, 2017 (or next business day), the interest accrued on the outstanding principal amount advanced hereunder,

(2) On June 25, 2018 and on the same (or next business) day of June, 2019, June, 2020, June, 2021, and June, 2022, equal installments of the principal and interest accrued on the outstanding principal balance of this Warrant to each such date of payment; and

(3) On June 25, 2022 the remaining principal balance of this Warrant plus all outstanding accrued interest thereon and all other charges, fees and expenses outstanding on that date.

(c) If on any annual principal and interest payment date the balance in the Warrant Fund is insufficient to pay the principal of and interest on the Warrant due and payable on such date, the County Administrator shall forthwith pay any such deficiency into the Warrant Fund solely from the County Distribution of State Seven Cents Gasoline Tax.

Section 7. Expenses of Collection; Interest After Maturity.

The County covenants and agrees that, if the principal of and interest on the Warrant is not paid promptly as such principal and interest matures and comes due, it will pay to the registered owner of the Warrant or its registered assignees all expenses incident to the collection of any unpaid portion thereof, including a reasonable attorney's fee. If any amount of principal of and, to the extent legally enforceable, interest on, this Warrant shall not be paid when due, such amount shall bear interest at a per annum rate equal to interest rate on the Warrant.

Section 8. Pledge and Assignment of Warrant Fund and County Distribution; Warrant Not A General Obligation.

(a) The Warrant is issued in anticipation of the receipt by the County of the County Distribution of the State Seven Cents Gasoline Tax, and as security for the payment of the principal of

and interest on the Warrant the County does hereby irrevocably assign and pledge for the benefit of the registered owner of the Warrant the Warrant Fund and so much of the proceeds of the County Distribution of State Seven Cents Gasoline Tax as may be necessary therefor.

(b) The general faith and credit of the County are not pledged to the payment of the Warrant and the Warrant is not a general obligation of the County, State of Alabama or any political subdivision thereof, and for the payment of the principal of the Warrant and interest thereon the registered owner thereof shall look solely to the County Distribution of the State Seven Cents Gasoline Tax from which such Warrant is made payable. Neither this resolution nor the Warrant shall be deemed to impose upon the County any obligation to pay the principal of or interest on the Warrant, or any other sum, except with and from the County Distribution of the State Seven Cents Gasoline Tax from which such Warrant is made payable. None of the agreements, representations and warranties made or implied herein or in the issuance of the Warrant, shall ever impose any pecuniary liability upon the County, except with respect to the County Distribution of the State Seven Cents Gasoline Tax from which such Warrant is made payable. Nothing herein, however, shall be construed to relieve the County from the performance of any of the agreements herein contained or to relieve any of the officials of the County from the performance of their official duties; and the registered owners of the Warrant shall be entitled to proceed at law or in equity to enforce the performance of such obligations and duties.

Section 9. Termination of Pledge of County Distribution of State Seven Cents Gasoline Tax.

(a) The pledge of the County Distribution of State Seven Cents Gasoline Tax to the payment of the Warrant shall be terminated and released when the Warrant shall have been paid in full.

(b) The County shall not have the right to issue additional warrants on a parity of lien with the Warrant, and any warrants or other obligations issued subsequent to the Warrant payable from the County Distribution of State Seven Cents Gasoline Tax shall be subordinate to the superior payment priority of the Warrant.

Section 10. Authorization of Issuance of Warrant.

(a) The Chairman and the County Administrator, or either of them, are hereby authorized and directed to effect delivery of the Warrant to the Bank and in connection therewith to deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant and the absence of pending or threatened litigation with respect thereto. The Chairman and the County Administrator are hereby authorized and directed to execute such other agreements as may reasonably be requested by the Bank.

(b) The County Administrator of the County shall give a receipt to the said purchaser for the purchase price paid, and such receipt shall be full acquittal to the said purchaser and the said purchaser shall not be required to see to or be responsible for the application of the proceeds of the Warrant. Nevertheless, the proceeds of the Warrant shall be applied solely to the purposes herein referenced.

Section 11. Covenants With Respect to Federal Tax Exemption for Interest and Designation of Warrant Pursuant to Section 265 of the Code.

(a) The County recognizes and acknowledges that the Warrant is being sold on the basis that the interest payable on the Warrant is excludable from gross income of the registered owners thereof for federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The County hereby covenants and agrees with the registered owner of the Warrant as follows:

(1) the proceeds of the Warrant will be used solely for the governmental purposes for which the Warrant is issued;

(2) none of the proceeds of the Warrant will be applied for any "private business use" nor will any part of the proceeds of the Warrant be used (directly or indirectly) to make or finance loans to persons other than a governmental unit;

(3) the payment of the principal of or interest on the Warrant will not be (under the terms of the Warrant or any underlying arrangements) directly or indirectly (i) secured in any way by any interest in property used or to be used for a "private business use" or by payments in

respect of such property or (ii) derived from payments (whether or not to the County) in respect of property, or borrowed money, used or to be used for a "private business use;"

(4) the proceeds of the Warrant shall not be used or applied by the County, and the taxes or other revenues of the County shall not be accumulated in the Warrant Fund in such a manner, and no investment thereof shall be made, as to cause the Warrant to be or become an "arbitrage bond," as that term is defined in Section 148 of the Code;

(5) the County will comply with the requirements of Section 148(f) of the Code with respect to any required rebate to the United States; and

(6) the County will make no use of the proceeds of the Warrant that would cause the Warrant to be "federally guaranteed" under Section 149(b) of the Code and the payment of the principal of and interest on the Warrant shall not be (directly or indirectly) "federally guaranteed" (in whole or in part) as described in said Section, except as otherwise permitted in said Section.

(b) The County hereby further covenants and agrees with the registered owner of the Warrant that, to the extent permitted by law, it will not take any action, or omit to take any action, with respect to the Warrant that would cause the interest on the Warrant not to be and remain excludable from gross income pursuant to the provisions of Section 103 of the Code.

(c) The County hereby designates the Warrant as "qualified taxexempt obligations" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The County does hereby represent that neither it nor its "subordinate entities" has issued in the aggregate more than \$10,000,000 of "qualified taxexempt obligations" during this calendar year, and the County does hereby further represent that it reasonably anticipates that the amount of neither "qualified taxexempt obligations" nor "taxexempt obligations" which will be issued by the County or its "subordinate entities" during this calendar year will exceed \$10,000,000. The County has consulted with the appropriate "subordinate entities" in order to make such determinations, including the Colbert County E-911 Board and the Northwest Alabama Health Care Authority.

Section 12. Approval of County Government Bond Financing Review Form.

The County Government Bond Financing Review Form attached hereto as Exhibit A and incorporated herein by reference is hereby adopted and approved, and the Chairman and April Bearden are authorized to sign the same and file said form with the Alabama Department of Examiners of Public Accounts.

Section 13. This Resolution a Contract.

The terms, provisions and conditions set forth in this resolution constitute a contract between the County and the registered owner from time to time of the Warrant and shall remain in full force and effect until the principal of and interest on the Warrant shall have been paid in full in accordance with the provisions hereof.

Section 14. Severability.

The provisions of this resolution are severable. In the event that any one or more of such provisions or the provisions of the Warrant shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this resolution or of the Warrant, and this resolution and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

Section 15. Repeal of Conflicting Provisions.

All ordinances, resolutions and orders or parts thereof in conflict with this resolution are to the extent of such conflict, hereby repealed.

Adopted this 6th day of June, 2017

Acting Chairman

Attest: _____
County Administrator

After said resolution and order had been discussed and considered in full by the Commission, the question was put as to the adoption of said motion and the passage and adoption of said resolution and order, a roll call vote was had:

District 1	Commissioner Barnes	yes
District 2	Commissioner Black	yes
District 3	Commissioner Gardiner	yes
District 5	Commissioner Bendall	yes
District 6	Commissioner Hovater	yes

Commissioner Gardiner thereupon declared said motion carried and the resolution and order passed and is adopted as introduced and read.

REPORTS FROM STAFF

Administrator: Ms. Polk reported the promotion of Sherry Cornelius to Assistant Record Room Supervisor Grade 5 effective June 1, 2017 and the resignation of Corintheus Goins effective May 25, 2017.

Engineer: Mr. Bedford requested keys to Courthouse for 4 additional employees at the Road and Water department office. He also requested agenda packets for himself and Assistant Engineer. Mr. Bedford requested Commissioner Gardiner to sign as Chairman for renewal of MPS permit. Mr. Bedford reported that he is transferring Road Department bucket truck to County Maintenance Department.

Attorney: Mr. Black offered no report.

With no further business, Commissioner Barnes made motion to adjourn the meeting. Commissioner Black seconded the motion. All Commissioners concurred.

