

STATE OF ALABAMA)
COLBERT COUNTY)

Minutes of a Regular Meeting
of the
Colbert County Commission
7/16/2019

The Colbert County Commission met today in regular session at the Colbert County Courthouse. Chairman Barnes called the work session to order at 5:00 P.M. with the regular meeting following at 6:25 P.M., being the time and place previously scheduled for such work session and regular meeting. All Commissioners answered “present” at the call of the roll. Commissioner Bendall offered the invocation and led the Pledge of Allegiance. Chairman Barnes declared that a quorum was present for the purpose of the transaction of business.

Chairman Barnes announced the end of his tenure as Chairman and passed the gavel to Commissioner Black to serve as Chairman for eight months.

PUBLIC COMMENTS

- Ron Kirkland provided updates about SEDA.
- Park grant was denied. The commission can reapply in the fall.

CONSENT AGENDA

Chairman Black announced that the business before the Commission was the approval of the consent agenda. Commissioner Gardiner made motion to adopt and approve the matters placed on the consent agenda during the work session. The motion was duly seconded by Commissioner Bailey. Chairman Black stated that the adoption and approval of a consent agenda comprised of the following items of business was properly before the Commission and stated the matters as follows:

1. Waive reading of minutes from July 2, 2019, and approve the same as amended;
2. Approve payment of bills as presented;
3. Approve resolution and order authorizing the issuance, execution, sale, and delivery of a \$4,000,000 maximum principal amount state gasoline tax anticipation warrant, Series 2019 (full resolution attached);
4. Approved the following resolution commending Old Bethel Baptist Church:

RESOLUTION OF THE COLBERT COUNTY
COMMISSION

WHEREAS, knowing that the founding fathers of the United States set forth in Amendment One to the United States Constitution that Congress shall make no law prohibiting the Free Exercise of Religion; and

WHEREAS, recognizing the founding of churches by citizens in practice of this right; and

WHEREAS, understanding the contribution church congregations have made to the foundation of our communities; and

WHEREAS, realizing the historical significance of these congregations; and

WHEREAS, recognizing that the OLD Bethel Baptist Church was organized on June 26, 1819; and

WHEREAS, Old Bethel Baptist Church is one of the oldest continuing congregations in our State.

NOW THEREFORE, BE IT RESOLVED, that the Colbert County Commission recognizes the importance of the contributions this congregation has made to the Lagrange Community and offers congratulations on the 200th Anniversary of Old Bethel Baptist Church.

DONE this the 16th day of July, 2019

5. Approved EMA Director Certification and Pay;
6. Approved payment of Unused Annual Leave to Jacob Thorn in the amount of \$1,556.10;
7. Approved the recommendation of the County Engineer regarding speed limits on Patches Lane, Berryman Drive, and McDonald Drive, and adopted the following resolution pertaining thereto:

RESOLUTION OF THE COLBERT COUNTY
COMMISSION

WHEREAS, the traffic patterns on the public streets, roads, and highways within Colbert County are monitored by the County Engineer, who has made certain recommendations to the County Commission relative to establishing speed limits in accordance therewith; and

WHEREAS, the Colbert County Commission has determined that it is in the best interests of the public health, safety, and welfare of the citizens of Colbert County to adjust certain speed limits and post speed limit signs along certain roads within the county maintenance program; and

WHEREAS, the Colbert County Commission desires to post speed limit signs, which shall reflect the adjusted speed limits, the quantity and location of which shall be determined by the County Engineer.

NOW THEREFORE, BE IT RESOLVED by the Colbert County Commission as follows:

The maximum allowable speed on McDonald Drive, being a part of the county road maintenance program, and being located within Section 31, T-4-S, R-10-W, and in Section 6, T-5-S, R-10-W, Colbert County, Alabama, is hereby fixed at 25 miles per hour.

The maximum allowable speed on Berryman Drive, being a part of the county road maintenance program, and being located within Section 31, T-4-S, R-10-W, and in Section 6, T-5-S, R-10-W, Colbert County, Alabama, is hereby fixed at 25 miles per hour.

The maximum allowable speed on Patches Lane, being a part of the county road maintenance program, and being located within Section 31, T-4-S, R-10-W, and in Section 6, T-5-S, R-10-W, Colbert County, Alabama, is hereby fixed at 25 miles per hour.

Any other resolution of the Colbert County Commission or any part thereof in conflict with the provisions of this Resolution, insofar as they conflict, is hereby repealed.

If any portion of this Resolution is, for any reason, held to be invalid or unconstitutional by declaration of any court of competent jurisdiction, such declaration shall not affect the validity of the remaining portions of this Resolution.

This Resolution shall take effect immediately upon passage by the Colbert County Commission.

ADOPTED and APPROVED this the 16th day of July, 2019.

8. Approved 6th Street Funding Agreement;
9. Approved Electronic Monitoring Juvenile Detention;
10. Approved \$30,000 set aside from Severance Tax monies for NACOLG application for ALDOT, PL Grant;
11. Approved change in date for August 19 regular meeting. The meeting date will be changed to August 13, 2019. The County Administrator is instructed to post notice of change.

REPORTS FROM STAFF

Chairman Barnes announced that the Commission would now hear reports from staff.

Upon being recognized by the Chair, the following reports were heard by the Commission:

County Administrator

Due to the ACCA Conference, taking place the week of August 19, 2019, the regularly scheduled commission meeting will be moved to August 13, 2019. A draft of a rental agreement for East Colbert Sr. Center was presented to the Commission for review at next meeting. ALDOT is soliciting applications for use of PL funds, which could be used to fund a planning study for a railroad overpass. An estimated cost of the planning study is \$200,000, ALDOT would fund 80%, 20% would need local funding. The City of Tuscumbia and the City of Sheffield are willing to partner with the County to apply through NACOLG for the PL grant monies. The City of Leighton is requesting assistance with brush removal on the ROW of Clark Street. The Sheriff's Department has two new hires; Austin Evans and Jolanda Vaughn as part time booking jailers. Their beginning employment dates are June 21 and June 23, 2019 respectively. Announced the Board Meeting of the Alabama Mountain Lakes, Tuesday, July 23 at Wallace State. The Alabama Historical Society has added Winston Cemetery to their historical listing. Saturday July 20, 2019, will be Tuscumbia's first annual Jazz'n' It Up in Tuscumbia and W. C. Handy kick off parade. On July 19-22 Saddle Up for St. Jude will take place at the Gardiner Farm. The Auburn Extension office is hosting their annual Tomato Sandwich day on July 19, 2019.

Chief Financial Officer

April Bearden reported to date budgets with 75% of the fiscal year complete. General fund expenditures are 72.3%, and are under budget. The first budget meeting will take place August 6, 2019 at 4:00 P.M.

County Attorney

Edgar Black state that it is time to renew the contract on the building in which NACOLG stores their buses.

EMA Director

Keith Reeves has been hired for the Grant Manager position. July 31, 2019, the U.S Army Corp of Engineers is hosting a meeting on July 31, 2019 at NWSCC Bevil Center from 10am - 12pm to discuss assistance with future flooding events.

County Engineer

Frankfort Road project is progressing well. The guard rails will be installed and the road will have a soft opening this week. They have started receiving monies on FEMA sites.

NEW BUSINESS

There being no further business to come before the Commission, upon motion duly made and seconded, Chairman Black announced that the meeting was adjourned.

COMMISSIONER, DISTRICT 1

CHAIRMAN

COMMISSIONER, DISTRICT 3

COMMISSIONER, DISTRICT 4

COMMISSIONER, DISTRICT 5

COMMISSIONER, DISTRICT 6

RESOLUTION AND ORDER

A RESOLUTION AND ORDER AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF A \$4,000,000 MAXIMUM PRINCIPAL AMOUNT STATE GASOLINE TAX ANTICIPATION WARRANT (TEN CENT GASOLINE TAX), SERIES 2019, OF COLBERT COUNTY, ALABAMA AND THE PAYMENT THEREOF

BE IT RESOLVED AND ORDERED BY THE COUNTY COMMISSION OF COLBERT COUNTY, ALABAMA (the "County") as follows:

Section 1. Definitions.

(a) **Accounting Principles** shall mean GAAP, GASB or other accounting principles generally accepted in the United States of America, as applicable to the County.

(b) **Act of Insolvency** shall mean the appointment of a receiver, liquidator or trustee of the County or any of its property or assets; or a general assignment by the County for the benefit of the creditors thereof; or the commencement of proceedings by the County, or against the County and not dismissed or unstayed for a period of 60 days, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or any jurisdiction, now or hereafter in effect.

(c) **Applicable Law** shall mean all applicable provisions of all constitutions, statutes, rules, regulations and all binding orders, judgments and decrees of any Governmental Authority.

(d) **Business Day** shall mean (i) a day which is not a Saturday or Sunday, (ii) a day on which banks in Florence, Alabama are not required or authorized to remain closed, and (iii) a day on which the payment transfer system of the Federal Reserve System is operational.

(e) **Code** shall mean the Internal Revenue Code of 1986, as amended.

(f) **County Depository** shall mean (i) any incorporated state or national bank or banks in the State of Alabama selected by the governing body of the County each year as the County Depository or, if the governing body of the County is unable to designate any depository for the County funds as provided in Title 11 of the Code of Alabama 1975, the individual designated by the governing body of the County as treasurer of the County, pursuant to Title 11 of the Code, or (ii) any other duly designated or elected bank, corporation, person or official who shall have the duties of custodian pursuant to the aforesaid Code provisions, as the same may hereafter be altered or amended or pursuant to any other applicable general or local law; or if there be no such bank, corporation, person or official having such duties, the chief executive officer of the governing body in the State of Alabama.

(g) **County Distribution of State Ten Cent Gasoline Tax** means and includes all moneys which are now or shall hereafter be allocated, apportioned, disbursed, distributed or become due and payable to the County or to which the County shall be entitled from any of the following sources:

(1) 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 Ten Cent Gasoline Tax under the provisions of Article 12 of Chapter 17 of Title 40 of the Code of Alabama 1975; and

(2) 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, supplemental or additional act or provision of law authorizing or relating to collections received by or apportioned to the County from the State Ten Cent Gasoline Tax and which the County shall be lawfully authorized to appropriate, transfer, use or pledge for the construction, improvement, maintenance and supervision and the resurfacing, restoration and rehabilitation of public highways, roads, bridges and streets in the County or the payment of the Warrant or interest thereon. It is intended that the words "County Distribution of State Ten Cent 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 purpose of the construction, improvement, maintenance and supervision and the resurfacing, restoration and rehabilitation of public highways, roads, bridges and streets in the County, so that, if the allocations provided by said 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.

(h) **Environmental Laws** means all federal, state and local laws, regulations and orders regulating health, safety and environmental matters, including without limitation air pollution, soil and water pollution, and the use, generation storage, handling or disposal of hazardous materials.

(i) **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder.

(j) **GAAP** shall mean generally accepted principles of accounting in effect from time to time in the United States applied in a manner consistent with those used in preparing such financial statements as have theretofore been furnished to the Warrantholder by the County.

(k) **GASB** shall mean generally accepted accounting principles established by the Government Accounting Standards Board and in effect in the United States of America and elected by the County, applied in a consistent basis with that of the preceding year of the County, reflecting only such changes in accounting principles or practice with which the independent public accountants of the County concur.

(l) **Fiscal Year** shall mean the twelve (12) month period ending on September 30th of each year or the fiscal year of the County as established from time to time.

(m) **Governmental Authority** shall mean any federal, state, county, municipal, or other government, domestic or foreign, and any agency, authority, department, commission, bureau, board, court or other instrumentality thereof.

(n) **Hazardous Materials** shall mean gasoline, motor oil, fuel oil, waste oil, other petroleum or petroleum-based products, asbestos, polychlorinated biphenyls, medical and infectious wastes and any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or

which, even if not so regulated, is known to pose a hazard to health and safety, including but not limited to substances and materials defined or designated as "hazardous substances", "hazardous wastes", "pollutants", "contaminants", "hazardous materials" or "toxic substances" under any Environmental Law.

(o) **Pledged Portion of the County Distribution of State Ten Cent Gasoline Tax** shall mean the greater of (i) 50% of the County Distribution of the State Ten Cent Gasoline Tax or (ii) that amount that may be legally used for the payment of debt service on the Warrant.

(p) **Project** shall mean shall mean the construction, improvement, maintenance and preservation and the resurfacing, restoration and rehabilitation of public highways, roads, bridges and streets in the County.

(q) **Project Costs** shall mean all costs of the Project, including without limitation: (1) the costs of the improvement, preservation and maintenance of the Project, (2) expenses incurred by the Warrantholder and the County in connection with issuing the Warrant, including legal, consulting and accounting fees, and (3) reimbursement to the County for any of the foregoing costs, fees and expenses set forth in (1) and (2) above, paid with the County's funds.

(r) **Project Fund** shall collectively refer to the funds established pursuant to Section 7(a).

(s) **State Ten Cent Gasoline Tax** means the excise taxes levied by the State of Alabama on each net gallon of gasoline and diesel fuel pursuant to Act No. 2019-2 of the Alabama Legislature signed by the Governor on March 12, 2019, at the rate of six cents (\$.06) from September 1, 2019 through September 30, 2020, eight cents (\$.08) from October 1, 2020 through September 30, 2021, and ultimately ten cents (\$.10) from October 1, 2021 and thereafter, levied administered and collected by Article 12 of Chapter 17 of Title 40 of the Code of Alabama 1975, and any tax or taxes that may hereafter be levied in lieu of, in substitution for, or in continuation of, said taxes.

(t) **Tax Certificate and Agreement** shall mean the Tax Certificate and Agreement, dated the date of delivery of the Warrant, delivered by the County with respect thereto.

(u) **Warrant** shall have the meaning assigned in Section 2(a).

(v) **Warrant Fund** shall have the meaning assigned in Section 3(h).

Section 2. Findings and Representations.

The County, by and through its governing body, does hereby find, determine, represent and warrant as follows:

(a) It is necessary and desirable and in the public interest for the County to provide for the financing of the Project. For such purposes, the County shall issue its State Gasoline Tax Anticipation Warrant (Ten Cent Gasoline Tax), Series 2019, in the maximum principal amount of \$4,000,000, as authorized and described herein (the "Warrant"), and shall use the proceeds thereof to pay the Project Costs.

(b) The County has no outstanding warrants or other orders or obligations payable from the County Distribution of the State Ten Cent Gasoline Tax.

(c) The population of the County is 54,428 according to the 2010 United States Census.

Section 3. Authorization, Description, Payment and Form of Warrant.

(a) The County shall borrow the maximum principal amount of \$4,000,000 for the purposes set forth in Section 2 hereof, and the County shall issue therefor its State Gasoline Tax Anticipation Warrant (Ten Cent Gasoline Tax), Series 2019, in the following principal amount and of the following number, to the following financial institution to evidence a loan established by such institution to the County for such purposes:

<u>Warrant No.</u>	<u>Maximum Principal Amount</u>	<u>Institution</u>
R-1	\$4,000,000	First Southern Bank

(b) The Warrant shall be dated the date of issuance; shall bear interest at the per annum rate or rates; shall be payable in installments of principal and interest in such amounts, at such times and in such manner; shall be subject to redemption prior to maturity only as set forth therein; and shall be registered and transferred; all as provided in the form of the Warrant in subsection (i).

(c) The principal of and interest on the Warrant shall be payable in lawful money of the United States of America, at the principal office of the registered owner thereof (the "Warrantholder"), in Florence, Alabama, at par and without discount, exchange or deduction or charge therefor. The County hereby covenants and agrees to pay all bank charges for the Warrant. With respect to any payment due which is not a Business Day, said payment shall fall on the next succeeding Business Day. Payments due on the Warrant, if not paid in full within ten days of the respective due date, shall also be subject to a late fee as set forth in the Warrant.

(d) The Warrant shall be issued in anticipation of the receipt by the County of the County Distribution of the State Ten Cent Gasoline Tax, and, as security for the payment of the principal of and interest on the Warrant, notwithstanding any other provision of this Resolution and Order, the County does hereby irrevocably assign to the Warrantholder, for the benefit of the thereof, all rights and interest in the Warrant Fund and so much of the proceeds of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax as may be necessary therefor.

(e) The Warrant is not a general obligation of the County; the full faith and credit of the County are not pledged to the payment of the Warrant; the taxing power of the County is not available for the payment of the Warrant.

(f) This Warrant is payable solely from the County's allocable share of the County Distribution of the State Ten Cent Gasoline Tax and secured by an assignment and pledge of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax. Neither the authorizing Proceedings 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 Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax, from which this Warrant is made payable. None of the agreements, representations and warranties made or implied in the Authorizing Proceedings or in this Warrant, shall ever impose any pecuniary liability upon the County, except with respect to the County's allocable share of the County Distribution of the State Ten Cent Gasoline Tax, from which this Warrant is made payable.

(g) 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 or the County Depository 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.

(h) There is hereby established a special fund designated the "2019 State Ten Cent Gasoline Tax Warrant Payment Fund" (the "Warrant Fund") which shall be held by the Warrantholder. The Chairman of the Colbert County Commission and the County Administrator are authorized and directed to deposit, or cause to be deposited, in the Warrant Fund, solely from the

proceeds of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax, which are 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.

- (i) The Warrant shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF ALABAMA

No. R-1

COLBERT COUNTY
STATE GASOLINE TAX ANTICIPATION WARRANT
(TEN CENT GASOLINE TAX)
SERIES 2019

<u>Dated Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
_____, 2019	3.15%	November 1, 2023

COLBERT COUNTY, in the State of Alabama (the "County"), for value received, hereby acknowledges itself indebted to

FIRST SOUTHERN BANK

or registered assigns (collectively the "Warrantholder") the principal amount of

**FOUR MILLION DOLLARS AND NO/100s
(\$4,000,000),**

and hereby orders and directs the County Depository of the County, or any person or entity which may succeed to its duties, to pay to said payee or registered assigns, solely from the Warrant Fund hereinafter designated, said principal amount on the Maturity Date specified above, and to pay to said payee or registered assigns from said Warrant Fund interest on said principal amount from the date hereof at the Interest Rate per annum specified above, computed on the basis of an assumed year of 360 days (comprised of 12 months of 30 days each) on a daily accrual basis; such principal of and interest on this Warrant being payable in installments as follows:

(a) on November 1, 2019 and continuing on each May 1 and November 1 thereafter, through and including May 1, 2023, the accrued but unpaid interest on the outstanding principal advanced on this Warrant to such date of payment, and

(b) on November 1, 2020 and continuing on each November 1 thereafter, until and including November 1, 2022, the applicable principal amount set forth on Schedule A hereto, and

(c) on the Maturity Date set forth above, the entire outstanding principal balance of this Warrant, as set forth on Schedule A hereto, plus accrued but unpaid interest through such date of payment.

Any payments received shall first be applied to accrued but unpaid interest and then to the reduction of principal.

Authorization; Security

This Warrant is issued pursuant to the Constitution and laws of the state of Alabama, including without limitation the provisions of Section 11-28-1, and a resolution and order and proceedings of the governing body of the County duly passed, held and conducted (the "Authorizing Proceedings"). Capitalized terms used herein without definition, shall have the meaning assigned thereto in the Authorizing Proceedings.

This Warrant shall be issued in anticipation of the receipt by the County of the County Distribution of the State Ten Cent Gasoline Tax, and, as security for the payment of the principal of and interest on the Warrant, and the County has irrevocably assigned to the Warrantholder, for the benefit of the thereof, all rights and interest in the Warrant Fund and so much of the proceeds of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax as may be necessary therefor.

This Warrant is not a general obligation of the County; the full faith and credit of the County are not pledged to the payment of the Warrant; the taxing power of the County is not available for the payment of this Warrant.

This Warrant is payable solely from the County's allocable share of the County Distribution of the State Ten Cent Gasoline Tax and secured by an assignment and pledge of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax. Neither the authorizing Proceedings 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 Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax, from which this Warrant is made payable. None of the agreements, representations and warranties made or implied in the Authorizing Proceedings or in this Warrant, shall ever impose any pecuniary liability upon the County, except with respect to the County's allocable share of the County Distribution of the State Ten Cent Gasoline Tax, from which this Warrant is made payable.

The County has established in the Authorizing Proceedings a special fund designated the "2019 State Ten Cent Gasoline Tax Warrant Payment Fund" (the "Warrant Fund") for the payment of the principal of, premium, if any, and interest on this Warrant. The Chairman of the Colbert County Commission and the County Administrator are authorized and directed to deposit, or cause to be deposited, in the Warrant Fund, solely from the proceeds of the County's share of the County Distribution of the State Ten Cent Gasoline Tax, which are hereby also irrevocably pledged to the extent represented by the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax for such purposes, such sums as shall be sufficient to provide for the payment of the principal of and interest on this Warrant as the same becomes due and payable.

Payment and Rate Adjustment Upon Determination of Taxability

The principal of and interest on this Warrant shall be payable at par, without discount, exchange, deduction or charge therefor, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, at the office of the Warrantholder in Florence, Alabama or at such other place as shall be designated by the Warrantholder to the County in writing; provided, however, the final payment of such principal and interest shall be made only upon presentation and surrender of this Warrant to the County.

Unless otherwise waived by the Warrantholder at its unilateral discretion, the Warrant is not subject to prepayment except as otherwise set forth in the Authorizing Proceedings which pertain to unused amounts remaining in the Project Fund.

In the event it is determined by the Internal Revenue Service that interest on the Warrant shall be includable in gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code") or if it is determined by the Internal Revenue Service that the Warrant is not a "qualified tax exempt obligation" within the meaning of Section 265(b) of the Code, the Warrant shall bear interest on the principal amount thereof that is or was outstanding during the period covered by such determination from (a) the date such interest must be included in gross income, or (b) the date the Warrantholder is required to take 100% (rather than 20%) of the interest thereon into account in complying with the said Section 265(b), which is the earlier, at the rate of interest which would provide to the Warrantholder the effective yield which it would have received had not the interest on the Warrant been determined to be includable in gross income or determined not to be a "qualified tax-exempt obligation", as applicable. 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 within thirty days after the date written notice of said determination has been made. The obligation to pay such additional interest shall survive the payment of the principal of the Warrant.

Any payment due hereunder which is not paid in full within ten (10) days of its due date, shall also be subject to an additional late fee of five percent (5%) of the amount due, with a minimum of \$25.00 and a maximum of \$250.00, and County agrees to pay said late fee to Warrantholder as and when applicable in accordance with the provisions hereof.

Registration and Transfer

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 his 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 his 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.

General

No covenant or agreement contained in this Warrant or in the Authorizing Proceedings shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the County in the individual capacity thereof and none of such parties or persons nor any officer executing this Warrant shall be liable personally on this Warrant or be subject to any personal liability or accountability by reason of the issuance of this Warrant.

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, that this Warrant has been registered in the manner provided by law, 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 as so required, and that the principal amount of this Warrant and all other indebtedness of the County are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the County, acting by and through its governing body, the Colbert County Commission, has caused this Warrant to be executed in its name and on its behalf by the Chairman of the Colbert County Commission and its corporate seal to be hereunto affixed and attested by its County Administrator, and has caused this Warrant to be dated the date and year first above written.

COLBERT COUNTY, ALABAMA

By _____
Chairman of County Commission

SEAL

Attest: _____
County Administrator/Treasurer

Registration Certificate

It is hereby certified that this Warrant and the interest thereon have been registered by the undersigned as a claim against the Colbert County, Alabama and the Warrant Fund herein referenced.

Chairman of County Commission

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the registry books of the 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.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Chairman of County Commission</u>
<u>Dated Date</u>	<u>First Southern Bank</u>	_____
_____	_____	_____
_____	_____	_____

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

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Accrued Interest on Date of Transfer</u>	<u>Signature of Chairman of County Commission</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Schedule A

Principal shall be payable on this Warrant on November 1 in each of the years and amounts as follows:

<u>Year</u>	<u>Amount</u>
2020	\$775,000
2021	\$925,000
2022	\$1,100,000
2023*	\$1,200,000

* Maturity

Section 4. Execution of the Warrant.

The Warrant shall be executed in the name and on behalf of the County by the Chairman of the County Commission and shall be attested by the County Administrator of the County, and the official seal of the County shall be imprinted thereon. The registration of ownership of the Warrant shall be executed by the Chairman of the County Commission, who shall also make the endorsements required at the time of any transfer of the Warrant. Said officers are hereby directed to so execute, attest and register the Warrant and to make the appropriate endorsements and notations thereon.

Section 5. Sale and Delivery of Warrant.

The Chairman of the County Commission and the County Administrator are hereby authorized and directed to effect delivery of the Warrant and in connection therewith deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrant, the absence of pending or threatened litigation with respect thereto, and the exemption of the interest on the Warrant from federal and state income tax.

Section 6 Transfers of Funds by County Depository to the Warrantholder: Termination of Pledge.

(a) The County Depository is hereby authorized and directed to transmit to the Warrantholder, for the account of the Warrant Fund, the amounts of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax required to be paid into the Warrant Fund in order that debt service on the Warrant shall be timely paid when due.

(b) The County Depository is hereby ordered and directed to take all steps necessary or desirable to cause such payments to be made into the Warrant Fund, including the authority to endorse all warrants, vouchers and checks therefor and to apply the proceeds thereof toward the payment of the principal of and interest on the Warrant. The County hereby covenants and agrees with each registered owner of the Warrant that it will not revoke the authority and direction for transmission directly to the Warrantholder, as contained in this paragraph, so long as any of the Warrant remains unpaid.

(c) When the Warrant shall have been paid in full, or shall be deemed paid within the meaning of this section, the pledge of the Pledged Portion of the County Distribution of the State Ten Cent Gasoline Tax to the payment of the Warrant shall be terminated and released.

Section 7. Project Fund; Application of Proceeds of the Warrant

(a) There is hereby established with First Southern Bank, Florence, Alabama, for the account of the County, a special fund for the Project designated the "Project Fund". Proceeds in the Project Fund may only be used to finance Project Costs.

(b) Provided no Event of Default has occurred and is continuing, principal proceeds of the Warrant shall be advanced (without notice being required) in the amount of \$666,666.67 on the date of issuance, and also on August __, 2019, September __, 2019, October __, 2019, November __, 2019 and the amount of \$666,666.65 on December __, 2019, and deposited in the Project Fund as instructed (among the various sub-accounts of the Project Fund) by the County Administrator. The County shall use the proceeds of the Warrant solely for the purposes of paying Project Costs.

(c) Upon the payment of all Project Costs, and if no Event of Default shall have then occurred and be continuing, any amounts remaining in the Project Fund shall be applied to the prepayment of the principal of the Warrant in accordance with the terms thereof and without premium or penalty.

Section 8. Expenses of Issuance and Collection.

(a) The County hereby agrees to pay all expenses of issuance of the Warrant.

(b) The County covenants and agrees that, if the principal of and interest on the Warrant are 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.

Section 9. Covenants With Respect to Federal Tax Exemption for Interest; Designation of Warrant as "Bank-Qualified".

(a) The County hereby covenants and agrees with the registered owner of the Warrant that it will duly and punctually observe and perform all agreements and covenants thereof under the Tax Certificate and Agreement of even date.

(b) The County hereby 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 Internal Revenue Code of 1986, as amended.

(c) The County hereby designates the Warrant as a "qualified tax-exempt bond" for the purposes of paragraph (3) of subsection (b) of Section 265 of the Code. The County does hereby represent that (1) the County has not created any "subordinate entities" and does not reasonably expect to create any "subordinate entities" during the 2019 calendar year, and (2) neither the County (nor its "subordinate entities") has issued in the aggregate more than \$10,000,000 of "qualified tax-exempt bonds" during the 2019 calendar year, and (3) the County reasonably anticipates that the amount of "qualified tax-exempt bonds" or "tax-exempt bonds" which will be issued by the County (and its "subordinate entities") during the 2019 calendar year will not exceed \$10,000,000.

Section 10. Representations and General Covenants of the County.

(a) Reporting Requirements.

The County shall furnish to the Warrantholder each of the following:

(i) Annual Financial Statements. As soon as available, and in any event not later than 30 days after receipt thereof from the Department of Examiners of Public Accounts of the State of Alabama, financial statements of the County for each fiscal year, including the balance sheet

as of the end of such Fiscal Year and the related statements of operations and changes in net assets and cash flows (showing in each case changes in cash, cash equivalents, and board-designated funds) for such Fiscal Year, all in reasonable detail and audited in accordance with Accounting Principles, consistently applied and fairly presenting the financial condition of the County, as of the end of such Fiscal Year. Until such time as audited financials are available, Warrantholder may request to receive copies of draft unaudited numbers from County.

(ii)

Internal Revenue Service. Promptly upon sending or receiving and any correspondence to or from the Internal Revenue Service concerning the tax-exempt status of the Warrant or any other tax-exempt obligations issued by the County.

(iii)

Budget. A copy of the annual fiscal year budget for the forthcoming fiscal year within thirty (30) days of it becoming approved by the governing body of the County.

(iv)

Other Information. Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the County, as the Warrantholder may from time to time reasonably request.

(b) Compliance with Applicable Law. The County shall comply with all Applicable Law, including without limitation Environmental Laws and ERISA (to the extent applicable to the County), except for matters being contested in good faith by appropriate proceedings diligently pursued and immaterial violations involving Hazardous Substances occurring in the ordinary course of business.

Section 11. Events of Default.

The occurrence of any one or more of the following shall constitute an event of default (an "Event of Default") under this Resolution and Order (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental authority):

(a) failure of the County to pay any amount of the principal of or interest on the Warrant, as and when the same shall become due and payable; or

(b) any warranty, representation, financial statement (specifically not including projections or estimates of financial performance or results), report, schedule, certificate, statement or other document heretofore, now, or hereafter, made or furnished to the Warrantholder by or on behalf of the County in compliance with, or in reference to, this Resolution and Order, shall prove to be false or misleading in any material respect as of the date on which it was made, and action which eliminates or corrects such falsity or misleading character is not completed for a period of 30 days after the Warrantholder or the applicable party becomes aware thereof; or

(c) the occurrence of a default or an event of default as defined in any other agreement or contract under which the County is now or hereafter obligated to the Warrantholder, or an affiliate thereof, that is not cured within the applicable cure period provided therein; or

(d) the State Ten Cent Gasoline Tax is determined to be invalid by a court of competent jurisdiction, or the distribution of proceeds thereof is altered such that the County Distribution of State Ten Cent Gasoline Tax is less than the amount expected to be received by the County at the time of issuance of the Warrant; or

(e) an Act of Insolvency occurs.

Section 12. Availability of Remedies.

(a)

The County agrees (i) the registered owners of the Warrant shall have all rights and remedies for the enforcement of the Warrant and this Resolution and Order as may be provided by the laws of the State of Alabama, and (ii) the County Depository of the County is subject to mandamus in the event such officer has money available for payment of principal of and interest on the Warrant and does not, as required by this Resolution and Order, deposit such money in the Warrant Fund, when and as required by Section 5 of this Resolution and Order in each Fiscal Year, and apply such proceeds (and investment earnings thereon) to the payment of the principal of and interest on the Warrant when and as the same become due and payable in each Fiscal Year in amounts sufficient for such purposes.

(b) No remedy herein conferred upon or reserved to the County or the Warrantholder is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall, to the extent permitted by law, be cumulative and in addition to every other remedy given under this Resolution and Order or now or hereafter existing at law or in equity or otherwise. No delay or omission by the County or the Warrantholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) All rights, remedies and powers provided by this Section may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Section are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Resolution and Order invalid or unenforceable.

Section 13. Severability.

The provisions of this ordinance 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 ordinance or of the Warrant, and this ordinance and the Warrant shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

Section 14. Privately Negotiated Loan; Role of the Warrantholder.

(a) The County acknowledges and agrees that the Warrantholder is purchasing the Warrant in evidence of a privately negotiated loan and in that connection the Warrant shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

(b) The Warrantholder and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Resolution and Order and any other information, materials or communications provided by the Warrantholder: (a) the Warrantholder and its representatives are not recommending an action to any municipal entity or obligated person; (b) the Warrantholder and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Resolution and Order, information, materials or communications; (c) the Warrantholder and its representatives are acting for their own interests; and (d) the County has been informed that it should discuss this Resolution and Order and any such other information, materials or communications with any and all internal and external advisors and experts that the County deems appropriate before acting on this Resolution and Order or any such other information, materials or communications.

Section 15. Agreement to Refund.

In the event the State Ten Cent Gas Tax is held to be invalid or enforceable by a court of competent jurisdiction, or the Warrant is determined to be an invalid debt instrument due to the invalidity or enforceability of the State Ten Cent Gas Tax, then County agrees to undertake all reasonable steps to cooperate with the Warrantholder to refund the Warrant on commercially reasonable terms such that said indebtedness is refunded by exchange; however, nothing in this provision shall obligate the County to commit its full faith and credit, or issue debt which is chargeable against its constitutional debt limit, to effectuate said refunding.

Section 16. County Government Bond Financing Review Form.

The County hereby authorizes and directs the Chairman of the Commission to execute, deliver and submit the County Government Bond Financing Review Form in connection with the issuance of the Warrant. The County Administrator is hereby authorized and directed to attest the execution of said instrument by the Chairman where required and to affix the corporate seal of the County thereon where indicated.

Section 17. Repeal of Conflicting Provisions.

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

Section 18. Provisions of Resolution and Order a Contract.

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

Duly passed and adopted this 16th day of July, 2019.

Chairman of the County Commission

Authenticated and attested:

County Administrator