

There came on for consideration the matter of approving and authorizing an Equipment Lease Purchase Agreement for certain equipment to be used throughout the City of Laurel, Mississippi (the "City") and, after a discussion of the subject matter, the following resolution was considered by the City Council (the "Governing Body") of the City:

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF LAUREL, MISSISSIPPI, AUTHORIZING AND APPROVING THE FORM OF AND EXECUTION OF AN EQUIPMENT LEASE PURCHASE AGREEMENT BETWEEN THE CITY AND TRUSTMARK NATIONAL BANK; AND FOR RELATED MATTERS.

WHEREAS, pursuant to Section 31-7-13(e), Mississippi Code of 1972, as amended and/or supplemented from time to time (the "Act"), the City is authorized and empowered to finance the lease-purchase of equipment; and

WHEREAS, the Governing Body, acting for and on behalf of the City, has heretofore found, determined, and adjudicated that it is necessary, advisable, and in the best interest of the City and of those residing within its boundaries for the Governing Body to authorize (a) the lease purchase of two garbage trucks (the "Equipment"), in an aggregate principal amount of not to exceed Four Hundred Twenty Thousand Dollars (\$420,000) (the "Lease Purchase"); and (b) payment of the associated transactional costs (together, the "Project"); and

WHEREAS, January 21, 2025, the Governing Body did approve a request to solicit bids from banks for the Lease Purchase of the Equipment, all as authorized under the Act; and

WHEREAS, a request for proposals (the "Request for Proposals"), a copy of which is attached hereto as Exhibit A and made a part hereof, was sent to banks on January 21, 2025, soliciting proposals for the Lease Purchase, with proposals due on or before 10:00 o'clock a.m. on January 24, 2025; and

WHEREAS, on or before 10:00 o'clock a.m. on January 24, 2025, the City did receive five (5) proposals for the Lease Purchase of the Equipment, copies of which are attached hereto as Exhibit B and made a part hereof; and

WHEREAS, after due consideration, the Governing Body does now find, determine, and adjudicate that the highest and best bid made and offered for the Lease Purchase, on the basis of the lowest net interest cost over the life of the Lease Purchase and the most favorable terms for the City, was made by Trustmark National Bank (the "Bank"); and

WHEREAS, there has been prepared and submitted to the Governing Body at this meeting the form of an Equipment Lease Purchase Agreement, to be dated as of the date of delivery thereof, by and between the City and the Bank (the "Lease Purchase Agreement"), providing for the terms and conditions of the Lease Purchase of the Equipment; and

WHEREAS, it appears that the Lease Purchase Agreement, attached hereto as Exhibit C and made a part hereof, is in appropriate form and is an appropriate document for the purposes identified; and

WHEREAS, all conditions, acts and things required by the Act and the Constitution and laws of the State of Mississippi (the "State") to have existed, to have happened and to have been performed precedent to and in connection with the adoption of this Resolution, the financing of the Project, and the execution and delivery of the Lease Purchase Agreement have happened and have been performed in regular and due time, form and manner as required by law; and

WHEREAS, it is proposed that the Governing Body should take all such additional actions, authorize the execution of such documents and certificates and authorize such other actions and proceedings as shall be necessary in connection with the Lease Purchase; and

WHEREAS, it has now become necessary to make provision for the preparation, execution, and delivery of the Lease Purchase Agreement to provide for the financing for a portion of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. Each and all of the facts and findings set forth in the premises clauses of this Resolution are hereby found and determined to be true and accurate and are incorporated herein by this reference thereto as though set forth again in words and figures. This Resolution is adopted pursuant to the Act and other applicable laws of the State.

SECTION 2. The Lease Purchase is hereby authorized in an aggregate principal amount of not to exceed Four Hundred Twenty Thousand Dollars (\$420,000) to provide financing for a portion of the Project, all as authorized by the Act.

SECTION 3. The Governing Body hereby approves the Bank's proposal for purchase (the "Winning Bid"), attached hereto as Exhibit B and made a part of this Resolution fully and to the same extent as if separately set out verbatim herein.

SECTION 4. The Governing Body herein hires, authorizes, and directs the law firm of Butler Snow LLP, Ridgeland, Mississippi, as Special Counsel to the City ("Special Counsel"), to prepare such resolutions, documents, certificates, and opinions as may be necessary in connection with the Lease Purchase.

SECTION 5. The Lease Purchase Agreement, in the form submitted to this meeting, is hereby made part of this Resolution as though set forth in full herein and shall be, and the same hereby is, approved in substantially said form. The Mayor and City Council (the "Governing Body"), the City Clerk of the City (the "Clerk"), and any other authorized officer of the City (collectively, the "Authorized Officers") are, and each of them acting alone is, hereby authorized and directed to execute and deliver the Lease Purchase Agreement with such changes, insertions and omissions as may be approved by such officers, said execution being conclusive evidence of such approval.

SECTION 6. The Lease Purchase Agreement shall be duly registered as an obligation of the City in the office of the Clerk in a record maintained for that purpose.

SECTION 7. The City hereby covenants that it will not make any use of the proceeds of the Lease Purchase Agreement or do or suffer any other action that would cause: (i) the Lease Purchase Agreement to be "arbitrage bonds" as such term is defined in Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder (the "Regulations"); (ii) the interest on the Lease Purchase Agreement to be included in the gross income of the Bank thereof for federal income taxation purposes; or (iii) the interest on the Lease Purchase Agreement to be treated as an item of tax preference under Section 57(a)(5) of the Code.

SECTION 8. The City further represents, and covenants as follows:

(a) The City shall timely file with the Ogden, Utah Service Center of the Internal Revenue Service, such information report or reports as may be required by Section 148(f) and 149(e) of the Code;

(b) The City shall take no action that would cause the Lease Purchase Agreement to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(c) The City shall take all necessary action to have the Lease Purchase Agreement registered within the meaning of Section 149(a) of the Code; and

(d) The City will not employ any device or abusive transaction with respect to the investment of the proceeds of the Lease Purchase Agreement.

SECTION 9. The interest on the Lease Purchase Agreement is exempt from federal income taxes under existing laws, regulations, rulings, and judicial decisions with such exceptions as shall be required by the Code. Under existing law, interest on the Lease Purchase Agreement is exempt from present taxes imposed by the State and any city, municipality, or other political subdivision of the State, except for inheritance, estate, and transfer taxes.

SECTION 10. The City reasonably expects that it will incur expenditures prior to the delivery of the Lease Purchase Agreement, which it intends to reimburse with the proceeds of the Lease Purchase Agreement upon the delivery thereof. This declaration of official intent to reimburse expenditures made prior to the issuance of the Lease Purchase Agreement in anticipation of the issuance of the Lease Purchase Agreement is made pursuant to Section 1.150-2 of the Regulations. The expenditures to be made as a result of the Lease Purchase and the maximum principal amount of debt expected to be incurred for the financing thereof is \$420,000.00.

SECTION 11. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to approve the payment of costs incidental to the delivery of the Lease Purchase Agreement, including but not limited to the payment of legal and financial advisory fees, which may be paid from legally available revenues of the City, and to sign requisitions and perform such other acts as may be necessary to authorize the payment of the costs associated with the Lease Purchase Agreement.

SECTION 12. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to execute and deliver any additional documents, agreements, instruments, requisitions, and certificates which are required in connection with the Lease Purchase Agreement.

If the date of the issuance and delivery of the Lease Purchase Agreement and/or the execution and delivery of any of the documents attached hereto and adopted hereby occurs after February 2025, then the Authorized Officers are, and each of them acting alone is, hereby fully authorized to approve all applicable and necessary changes to the documents attached hereto or otherwise and related to such change to provide for the dating of the documents for the appropriate month and year, the execution of said documents being conclusive evidence of such approval, and no further action shall be required of the Governing Body of the City to approve such date changes.

SECTION 13. Except as otherwise expressly provided herein, nothing in this Resolution, express or implied, is intended or shall be construed to confer upon any such person or form or corporation other than the Bank and the City, any right, remedy, or claim, legal or equitable, under and by reason of this Resolution or any of the provisions hereof.

SECTION 14. In case any one or more of the provisions of this Resolution or the Lease Purchase Agreement, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this Resolution or the Lease Purchase Agreement, but this Resolution, the Lease Purchase Agreement, or any other documents hereof, as applicable, shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained therein. The terms and conditions set forth in the Lease Purchase Agreement, the pledge of the moneys and property under the Lease Purchase Agreement, the receipt of payments made on the Lease Purchase Agreement, the provisions relating to the proceeds derived from the Lease Purchase Agreement, and receipts are all commitments and agreements on the part of the City and the validity or the invalidity of the Lease Purchase Agreement shall not affect the commitments on the part of the City to handle such proceeds and such moneys and property, and receipts for the purposes, in the manner and according to the terms and conditions fixed in the Lease Purchase Agreement, it being the intention hereof that such commitments on the part of the City are binding as if contained in this Resolution separate and apart from the Lease Purchase Agreement.

SECTION 15. No stipulation, obligation or agreement herein contained or contained in the Lease Purchase Agreement or other documents necessary to conclude the closing shall be deemed to be a stipulation, obligation or agreement of any officer, director, agent or employee of the City in such person's individual capacity, and no such officer, director, agent or employee shall be personally liable on the Lease Purchase Agreement or be subject to personal liability or accountability by reason of the closing thereof.

SECTION 16. When the Lease Purchase Agreement is finalized and the transaction is closed, the Clerk is hereby authorized and directed to prepare and furnish to the Bank certified copies of all the proceedings and records of the City, relating to the Lease Purchase Agreement and such other affidavits and certificates as may be required to show the facts relating to the legality of the Lease Purchase Agreement as such facts appear from the books and records of the Clerk; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the City as to the trust of all statements contained therein.

SECTION 17. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, directors, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things to and execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are

further authorized to take any and all further actions and execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the Lease Purchase Agreement or other documents necessary to conclude the closing and to document the City's compliance with the Act.

SECTION 18. The Mayor and/or the City Clerk are hereby authorized to sign and file or cause to be filed completed (a) one or more I.R.S. Form 8038-G "Information Return for Tax-Exempt Government Bonds" as required by Section 149(e) of the Code in connection with the Lease Purchase Agreement, and (b) any other I.R.S. forms and/or certificates required to be filed in connection with the closing of the Lease Purchase Agreement.

SECTION 19. The City hereby designates the Lease Purchase Agreement as "qualified tax-exempt obligations" as defined in and for the purposes of Section 265(b)(3) of the Code. For purposes of this designation, the City hereby represents that:

(a) The City reasonably anticipates that the amount of tax-exempt obligations to be issued by it during the period from January 1, 2025, to December 31, 2025, and the amount of obligations designated as "qualified tax-exempt obligations" by it, will not exceed \$10,000,000 when added to the aggregate principal amount of the Lease Purchase Agreement; and

(b) For purposes of this Section 17, the following obligations are not taken into account in determining the aggregate principal amount of tax-exempt obligations issued by the City: (i) a private activity bond as defined in Section 141 of the Code (other than a qualified 501(c)(3) bond, as defined in Section 145 of the Code); and (ii) any obligation issued to refund any other tax-exempt obligation (other than to advance refund within the meaning of Section 149(d)(5) of the Code) as provided in Section 265(b)(3)(c) of the Code.

SECTION 20. The Authorized Officers are, and each of them acting alone is, hereby authorized to execute a non-arbitrage certification or agreement in order to comply with Section 148 of the Code and the applicable regulations thereunder.

SECTION 21. All acts and doings of the officers of the City that are in conformity with the purposes and intents of this Resolution and in furtherance of the closing of the Lease Purchase Agreement, from time to time, and the execution, delivery, and performance of each of the documents to which the City is a party, shall be, and the same hereby are, in all respects approved and confirmed.

SECTION 22. This Resolution shall become effective immediately and all resolutions and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, repealed.

SECTION 23. All orders, resolutions, or proceedings of the Governing Body in conflict with the provisions of this Resolution shall be and are hereby repealed, rescinded and set aside, but only to the extent of such conflict.

Councilperson Capers offered and moved the adoption of the foregoing Resolution, and Councilperson Ellis seconded the motion that the foregoing Resolution be adopted. Upon a roll call vote, the result was as follows:

YEAS: Capers, Thaxton, Ellis, Amos, Jordan

NAYS: None

ABSTAINING: None

ABSENT: Kelly, Carmichael

The President thereupon declared the motion carried and the Resolution adopted, this the 4th day of February, A.D., 2025.

PRESIDENT OF THE COUNCIL

ATTESTED AND SUBMITTED TO THE MAYOR BY THE CLERK OF THE COUNCIL ON FEBRUARY 4, 2025.

CLERK OF THE COUNCIL

APPROVED () DATE: _____

VETOED () DATE: _____

MAYOR

ATTEST:

CITY CLERK

Min. of February 04, 2025; Min. Book No. 104, Page No. _____; Agenda Item No. 4D

EXHIBIT A
REQUEST FOR PROPOSALS

EXHIBIT B

PROPOSALS RECEIVED FROM THE BANKS

EXHIBIT C
FORM OF LEASE PURCHASE AGREEMENT