

Motion to set aside the rules in order to consider passage during the first ready having been made by Council Member _____ and seconded by Council Member _____ was unanimously passed. Council Member _____ moved the adoption of the following Ordinance, which was seconded by Council Member _____.



ORDINANCE 25-238

BE IT ORDAINED by the City Council (the "Council") of the **CITY OF ALABASTER, ALABAMA** (the "City"), as follows:

Section 1. Findings. The Council has ascertained and does hereby determine and declare as follows:

(a) the Public Building Authority of the City of Alabaster, a political subdivision of the State of Alabama (the "Authority"), was created pursuant to a Certificate of Incorporation duly filed and recorded in the Office of the Judge of Probate of Shelby County, Alabama, on September 10, 2020, following the adoption of Resolution No. 090820-C of the Council approving a petition submitted in accordance with Chapter 56 of Title 11 of the Code of Alabama 1975, as amended (the "Enabling Law") to create and form the Authority, for the purpose of owning and leasing certain public buildings to the City; and

(b) the City has determined it is necessary, wise and in the public interest that the Authority assist in the City's financing of a public recreation center and a public library within the City (together, the "Facilities"), which the City intends to lease from the Authority, through the issuance of the Series 2025 Bonds hereinafter described; and

(c) the Project will be located on certain real property heretofore acquired by the City for the location of the Facilities and conveyed to the Authority (the "Sites" and, together with the Facilities, the "Project"); and

(d) the Authority has authorized the execution of a purchase agreement between it and The Frazer Lanier Company Incorporated (the "Underwriter"), as underwriter, respecting the issuance by the Authority of its \$55,595,000 Lease Revenue Bonds, Series 2025, dated May 14, 2025 (the "Series 2025 Bonds"), the proceeds of which shall be used to pay the costs of the Project and the costs of issuing the Bonds; and

(e) the Project constitutes a "Project", as such term is defined in the Enabling Law, and the City has determined it necessary, wise and in the public interest that the City enter the Lease Agreement hereinafter authorized and that the City approve certain other matters in connection with issuance of the Bonds.

Section 2. Authorization of Lease Agreement. The Council does hereby authorize and approve, and the Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized to execute and deliver, on behalf of the City, a Lease Agreement dated the date of the Series 2025 Bonds between the City and the Authority, which shall be in substantially the form attached hereto as Exhibit I and made a part hereof as if set forth in full herein and with such changes thereto as shall be approved by the Mayor and the Chairman of the Authority (the "Lease Agreement"). The City Clerk is hereby authorized to affix the seal of the City to the Lease Agreement and to attest the same; provided, however, that the Lease Agreement shall not be delivered on behalf of the City unless simultaneously with such delivery there shall be executed and delivered on behalf of the respective parties a Mortgage Indenture and Deed of Trust dated the date of the Series 2025 Bonds (the "Indenture") between the Authority and Regions Bank, as trustee thereunder, providing for the issuance of the Series 2025 Bonds, which Indenture shall be in substantially the form presented to the meeting of the Council at which this ordinance is adopted, with such changes thereto as shall be approved by the Chairman of the Authority, which form shall be attached to the minutes of said meeting as

Exhibit II and is hereby adopted in all respects as if set out in full herein. The City agrees to include in its annual budget for each fiscal year the rental payments required to be made under the Lease Agreement.

Section 3. Ratification of Preliminary Official Statement; Authorization of Official Statement. Recognizing that the ability of the Authority to sell the Bonds depends upon the financial condition of the City, there has heretofore been prepared by the City and circulated by the Underwriter a Preliminary Official Statement dated April 25, 2025 (the "Preliminary Official Statement") with respect to the Series 2025 Bonds, a copy of which is attached as Exhibit III to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full herein. The actions of the Underwriter in circulating the Preliminary Official Statement, and the actions of the City, working with the Authority, in causing the Preliminary Official Statement to be prepared and "deemed final" as of its date for purposes of Rule 15c2-12 promulgated by the Securities Exchange Commission, are hereby ratified and affirmed. The Council hereby authorizes and approves the Official Statement of the Authority with respect to the Series 2025 Bonds in substantially the form attached as Exhibit IV to the minutes of the meeting at which this Ordinance is adopted, and which form is hereby adopted in all respects as if set out in full in this Ordinance. The Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized to execute and deliver, on behalf of the City, such certificates as may be requested by the Authority or otherwise desirable respecting the accuracy of information contained in the Preliminary Official Statement and in the Official Statement respecting the City.

Section 4. Approval of Series 2025 Bonds. The Council hereby approves in all respects the terms and conditions (including, without limitation, the maturities, interest rates, principal maturity schedule, and provisions for redemption prior to maturity) of the Series 2025 Bonds, which such terms and conditions are contained in the Indenture. The Council hereby acknowledges its understanding of all provisions of the Lease Agreement and the Indenture, and the Council hereby approves the provisions of both such documents. The Council hereby further approves the sale of the Series 2025 Bonds to the Underwriter, which is purchasing the Series 2025 Bonds at and for a sale price of \$55,208,637.10, which sale price represents the par or face amount of the Series 2025 Bonds, less an underwriting discount of \$277,975.00, less net original issue discount of \$108,387.90.

Section 5. City as Agent for Authority. In order to proceed with the design, construction, development, equipping, installation and provision of the Project, it is necessary, wise and in the public interest that the City serve as agent for the Authority and be permitted to enter into contracts, agreements and other instruments by and on behalf of the Authority in connection with the design, construction, development, equipping, installation and provision of the Project. The Council does hereby authorize and approve, and the Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized to execute and deliver, on behalf of the City, an Agency Agreement dated the date of the Series 2025 Bonds, the form of which is attached as Exhibit V hereto, together with such changes as shall be approved by the Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them (the "Agency Agreement"), along with any documents, notices, orders, certificates or other instruments, necessary or desirable to carry out the design, development, construction, equipping, installation and provision of the Project.

Section 6. Authorization of Continuing Disclosure Agreement. In order to enable the Authority to comply with Rule 15c2-12 promulgated by the United States Securities and Exchange Commission, the Council does hereby authorize and approve, and the Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized to execute and deliver, on behalf of the City, a Continuing Disclosure Agreement dated the date of the Series 2025 Bonds (the "Authority/City Continuing Disclosure Agreement") for the benefit of the beneficial owners of the Series 2025 Bonds, in substantially the form presented to the meeting at which this Ordinance is adopted (which form shall be attached as Exhibit VI to the minutes of the meeting at which this Ordinance is adopted and which is hereby adopted in all respects as if set out in full herein). The Authority/City Continuing Disclosure Agreement is to be

entered into contemporaneously with the issuance of the Series 2025 Bonds in order to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission. The rights of enforcement of the said Authority/City Continuing Disclosure Agreement shall be as provided therein, and in no event shall a default by the City or the Authority thereunder constitute a default under the Lease Agreement, the Indenture, the Series 2025 Bonds, or any other document executed and delivered by the City or the Authority in connection with the issuance of the Series 2025 Bonds.

Section 7. Additional Documents; Ratification of Certain Actions. (a) The Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized and directed to execute such other documents or certificates necessary in order to carry out the transactions contemplated by this Ordinance, the Lease Agreement, the Agency Agreement, the Indenture, or any other documents or agreements authorized under this Ordinance. The City understands that one of the principal inducements to the purchase of the Series 2025 Bonds is that interest on the Series 2025 Bonds be and remain exempt from federal income taxation. The Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized and directed to execute such certificates, agreements and other documents respecting the Internal Revenue Code of 1986 as contemplated by this Ordinance, the Lease Agreement and the Indenture, to the end that the interest income on the Series 2025 Bonds of the Authority be and remain exempt from federal income taxation.

(b) The actions of the Mayor, the City Administrator, the Finance Director and the City Clerk heretofore taken with respect to the Series 2025 Bonds, including the execution of instructions thereby on behalf of the Authority with respect to investment of proceeds of the Series 2025 Bonds, are hereby ratified and confirmed in all respects.

Section 8. Concerning the Internal Revenue Code of 1986. The City recognizes that the Internal Revenue Code of 1986, as amended (the "Code") imposes certain restrictions on the use of property financed with bonds such as the Series 2025 Bonds the interest income on which is exempt from federal income taxation. Accordingly, the Mayor, the City Administrator, the Finance Director, and the City Clerk, or any of them, are hereby authorized to execute and deliver such certificates, agreements or other documents as may be requested by the Authority respecting use by the City of the Project to comply or assist the Authority in complying with applicable provisions of the Code. The City understands and agrees that the use of the Project will be limited to the extent necessary to maintain and preserve the exemption of the interest income on the Series 2025 Bonds from Federal income taxation.

Section 10. Disclaimer of Liability. The Series 2025 Bonds shall not constitute or give rise to an obligation or debt of the City or a charge against the credit or taxing powers of the City, and nothing contained in this Ordinance shall ever be construed to the contrary.

	Y / N		Y / N
Sophie Martin	_____	Jamie Cole	_____
Rick Ellis	_____	Zach Zahariadis	_____
Stacy Rakestraw	_____	Kerri Pate	_____
Greg Farrell	_____		

ADOPTED AND APPROVED THIS 12TH DAY OF MAY 2025.

ATTEST:

CITY OF ALABASTER

J. Mark Frey, City Clerk

Sophie Martin, Council President

APPROVED

Scott Brakefield, Mayor